

FLATS

Your Policy Terms and Conditions
November 2004 Edition



Be Life Confident

Introducing AXA

One of the world's largest insurers

With more than 50 million customers across the globe, AXA is one of the world's largest insurance providers. We have a presence in over 50 countries, yet we pride ourselves on having a real understanding of local issues.

Care, advice & support - when you need it

We are a world leader in financial protection and wealth management. We offer a wide range of insurance and financial products to meet your business and personal needs, and are committed to delivering consistent care, advice and support when you need it.

We employ 117,000 people worldwide, and are also one of the thirty largest companies of any kind (Fortune magazine's Global 500 for 2003)

AXA helps people to get the best out of life. To achieve this, we provide a wide range of products and services including: Business Insurance, Home and Motor Insurance, Investments, Life Assurance, Retirement Planning, Long Term Care, Asset Management, Medical Insurance and Dental Payment Plans.

AXA Insurance UK plc is authorised and regulated by the Financial Services Authority. This can be checked on the FSA's website at www.fsa.gov.uk/register or by contacting them on 0845 606 1234.

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Your Policy

The Company in consideration of the payment of the premium shall provide insurance against loss destruction damage or liability occurring at any time during the period of insurance (or any subsequent period for which the Company accepts a renewal premium) in accordance with the Sections of the Policy shown as operative in the Schedule subject to the exclusions, provisions and conditions of the Policy

The Policy and the Schedule should be read together as one contract and the Proposal Form/Statement of Fact made by You is the basis of the contract

Important

We recommend You read this Policy together with Your schedule to ensure that it meets with Your requirements. Should You have any queries please contact Us or Your insurance adviser

Your attention is drawn to the Complaints procedure (Making Yourself Heard) on page 28

The law applicable to this Policy

You are free to choose the law applicable to this Policy. Your Policy will be governed by the law of England and Wales unless You and We have agreed otherwise

Important Helplines

Legal and Tax Advice	0870 241 8178	Our advice line provides free confidential legal and tax advice. Please quote scheme number PRC200100 when you call.
Emergency Helpline	0870 241 8178	Our 24 hour emergency helpline service provides help when you most need it. Please quote scheme number PRC200100 when you call. We will provide details of reputable contractors who will be able to help.
Glass Replacement Service	0870 333 1424	A quick and efficient repair/replacement service is available 24 hours a day 365 days a year.

In order to maintain a quality service, telephone calls may be monitored or recorded.

Definitions

Wherever the following words and phrases appear in the Policy they will always have these meanings

Block of Flats

The building(s) of the Block(s) of Flats shown in the schedule including domestic outbuildings greenhouses landlords fixtures and fittings swimming pools and tennis courts squash courts walls gates fences hedges paved terraces patios paths and drives all on the same premises and in addition any private garages owned and used in connection with the Block of Flats

Unless shown differently in the schedule the Flats are of Standard Construction

Business

Owners of and/or the organisation and management of the Block of Flats or the Private Dwelling House

Contents of Communal Parts

Furniture and all other property belonging to You or for which You are responsible in or on the stairs halls and other communal parts of the Block of Flats but not the contents of individual Flats themselves

Damage

Loss destruction or damage

Private Dwelling House

A building shown on the schedule occupied solely as a private residential dwelling including domestic outbuildings greenhouses landlords fixtures and fittings swimming pools and tennis courts squash courts walls gates fences hedges paved terraces patios paths and drives all on the same premises and in addition any private garage(s) owned and used in connection therewith

Unless shown differently in the Schedule the Private Dwelling House is of Standard Construction

Employee

- a) Any person under a contract of service or apprenticeship with You
- b) Any person who is hired to or borrowed by You
- c) Any person engaged in connection with a work experience or training scheme
- d) Any labour master or person supplied by him
- e) Labour only sub-contractors and persons engaged by them
- f) Any self-employed person working on a labour only basis under Your control/supervision
- g) Any voluntary helper

while working for You in connection with the Business

Flat

A self contained unit of residential accommodation forming part of the Block of Flats

Injury

Bodily injury death disease illness or nervous shock

Money

Cash bank or currency notes cheques personal bank cash guarantee and credit cards postal orders postage stamps which are not part of a collection trading stamps Premium Bonds National Savings stamps or certificates luncheon vouchers record book or similar tokens

Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform and until such time of disembarkation from any conveyance onto land upon return from any offshore rig or any offshore platform

Proposal

The Proposal Form/Statement of Fact You have completed and any other information given to Us by You or on Your behalf

This is the basis of the contract between You and Us

Resident

The owner lessee or tenant of any Flat or Private Dwelling House and any member of his/her family permanently residing with him/her

Standard Construction

Mainly brick stone or concrete built and mainly roofed with slates tiles metal asbestos asphalt or concrete

Non Standard Construction

Constructed of materials other than those detailed in the definition Standard Construction

Sum Insured

The amount of cover which represents:

In respect of Section 1 – the full cost of rebuilding the Block of Flats or Private Dwelling House in the same form style and condition as new plus a reasonable amount for architects surveyors and legal fees debris removal costs and other costs to comply with government or local authority requirements

It should be noted that the rebuilding cost in areas of high property values may be different from the market value

In respect of Section 2 – the full cost of replacement as new of the Contents of Communal Parts

Territorial Limits

Great Britain Northern Ireland the Channel Islands or the Isle of Man other than Offshore

AXA Insurance, Company, We, Us, Our

AXA Insurance UK plc

You/Your

The person people or manager on behalf of the individual owners shown in the schedule as the Insured

Section 1 – The Buildings

1 What is Insured?

The Block of Flats or Private Dwelling House is insured against Damage by the following perils. If more than one Block of Flats or Private Dwelling House is insured by the Policy, any exclusion or limitation applies separately to each Block of Flats or Private Dwelling House.

2 Perils Insured

- a) Fire, smoke, explosion, lightning or earthquake
- b) Riot, civil commotion, labour and political disturbances and strikes
- c) Malicious damage and vandalism but not:
 - Damage by any Resident to the Flat or Private Dwelling House in which he/she resides
 - Damage by You, any member of Your family or any Employee
- d) Impact by
 - i) aircraft or other aerial devices or anything dropped from them
 - ii) vehicles
 - iii) trains
 - iv) animals but not:
 - Damage by domestic pets
 - v) falling trees or branches
 - vi) falling aerials or masts
 - vii) falling television satellite dishes
- e) Storm or flood but not:
 - Damage by frost
 - Damage to outdoor swimming pools, tennis courts, paved terraces, patios, fences, gates, paths and drives
- f) Subsidence or heave of any part of the site on which the Block of Flats or Private Dwelling House stands or landslip but not:
 - Damage to outdoor swimming pools, tennis courts, paved terraces, walls, gates, fences, patios, paths and drives unless the main building of the Block of Flats or Private Dwelling House is damaged at the same time by the same cause
 - Damage caused within ten years of construction by
 - i) the normal settlement or bedding down of new structures
 - ii) the settlement of made up ground or of materials brought to the site
 - Damage caused by
 - i) coastal or river erosion
 - ii) defective design or workmanship or the use of defective materials
 - Damage to solid floor slabs or Damage resulting from their movement unless the foundations beneath the outside walls of the main building of the Block of Flats or Private Dwelling House are damaged at the same time by the same cause
 - Damage resulting from
 - i) demolition, construction, structural alteration or repair of any property or
 - ii) groundworks or excavation at the Block of Flats or Private Dwelling House
- g) Bursting or leaking of water apparatus and the escape of water from or the freezing of any fixed domestic water or heating installation but not:
 - Damage caused by wet or dry rot, rust, corrosion or other wear, tear and deterioration
- h) Damage to any fixed domestic water or heating installation caused by its own forcible and violent bursting but not:
 - Damage caused by rust, corrosion or other wear, tear and deterioration

- i) Theft or attempted theft but not:
- Damage by You or Your family or any Employee
- j) Escape of oil from any fixed domestic oil heating installation
- k) Any other accidental loss or damage but not:
- wear tear deterioration atmospheric or climatic conditions settlement shrinkage drying out wet or dry rot vermin woodboring insects fungus or any gradually operating cause
 - everything excluded under Perils Insured a)-j) and paragraph 3
 - cost of maintenance or routine decoration
 - faulty workmanship or design or the use of faulty materials
 - Damage to the buildings or any part of them arising from construction structural alteration or repair or demolition
 - sudden and unforeseen Damage to property which is insurable under an engineering insurance policy

3 Extensions

The Policy will pay for

a) Additional Expenses

the necessary expenses You incur for rebuilding or repairing the Block of Flats or Private Dwelling House as a result of Damage insured by this Policy namely

- i) architects surveyors and legal fees
- ii) the costs of clearing debris from the site or demolishing or shoring up the Block of Flats or Private Dwelling House
- iii) other costs to comply with government or local authority requirements

b) Pipes Cables and Drains

the cost of repairing accidental damage to cables underground pipes and drains (and their inspection covers) serving the Block of Flats or Private Dwelling House but not:

- Damage which You are not legally responsible to repair
- Damage caused by rust corrosion or other wear and tear

c) Trace and Access

the reasonable costs necessarily incurred by You in locating the source and subsequent making good of Damage under paragraph 2g) and paragraph 3b) but not:

- any amount in excess of £5,000 in respect of any one Block of Flats or Private Dwelling House
- any amount in excess of £25,000 in any one year of insurance

d) Breakage of Glass and Sanitary Fixtures

accidental breakage in the Block of Flats or Private Dwelling House of solar glass heating panels fixed glass and sanitary fixtures but not:

- Damage which is not accidental and unforeseen

e) Loss of Rent and Alternative Accommodation Expenses

- i) rent (including ground rent and management charges) You should pay or should have received but have lost
- ii) the costs of reasonable alternative accommodation and temporary storage of Your furniture
- iii) the cost of reasonable accommodation in kennels or catteries for Your dogs and cats

while

- iv) Your Flat or Private Dwelling House is unfit to live in or

- v) access to Your Flat or Private Dwelling House is denied as a result of Damage insured by this Policy but not:
- any amount in excess of 20% of the Sum Insured
- but in respect of each individual Flat or Private Dwelling House the payment made may be adjusted according to the percentage contribution made by each Flat or Private Dwelling House towards the total management charges and/or ground rent of the Block of Flats or housing development
- f) Damage to Landscaped Gardens
- Damage done to landscaped gardens by the Emergency Services in attending the Block of Flats or Private Dwelling House due to Damage insured by this Policy but not:
- any amount in excess of £25,000 in any one year of insurance
- g) Theft of Keys
- the reasonable costs necessarily incurred in replacing external door locks at the Block of Flats or Private Dwelling House including external door locks for individual Flats following loss of keys by
- i) theft from the Block of Flats, individual Flats Private Dwelling House or Registered Office or from the home of
- or
- ii) theft following hold-up whilst such keys are in the personal custody of
- You or any Employee authorised to hold such keys
- but not:
- any amount in excess of £1,000 in respect of any one Block of Flats or Private Dwelling House
 - any amount in excess of £25,000 in any one year of insurance
- h) Loss of Metered Water
- the unit cost of metered water at the current rate per cubic metre consumed as a direct result of Damage arising under paragraph 2g) but not:
- any amount in excess of £5,000 in respect of any one claim
- i) Closed Circuit Televisions
- the cost of repairing accidental damage to closed circuit television systems at the Block of Flats or Private Dwelling House but not:
- any amount in excess of £5,000 in respect of any one claim
- j) Removal of Nests
- the cost of removing wasps or bees nests from the Block of Flats or Private Dwelling House
- but not:
- any amount in excess of £250 in respect of any one claim
- k) Tree Felling or Lopping
- the cost of felling or lopping trees at the Block of Flats or Private Dwelling House which are an immediate threat to the safety of life or property as a result of Damage by paragraphs a)-j) of the Perils Insured
- but not:
- any amount in excess of £500 in respect of any one claim
 - any amount in excess of £2,500 in any one period of insurance
- l) Unauthorised Occupation
- If during the period of insurance unauthorised persons take possession keep possession or occupy the Block of Flats Your Flat or Your Private Dwelling House

We will pay

- i) the costs You incur in terminating such unauthorised use
- ii) the cost of metered electricity gas or water for which You are legally responsible arising from such unauthorised use but not any amount
 - in excess of £5,000 in respect of any one Flat or Private Dwelling House
 - in excess of £25,000 in the aggregate in any one period of insurance

4 Claims Settlement

- a) If the Block of Flats or Private Dwelling House is damaged by any Peril Insured then We will either
 - i) pay for the rebuilding or repair or
 - ii) make a money payment instead provided that
 - iii) the Sum Insured when the Block of Flats or Private Dwelling House is damaged is sufficient to rebuild it
 - iv) the property has been maintained in a good state of repair
- b) In the event of Damage to matching sets groups and collections We will not pay for the cost of replacing an undamaged or unbroken item or parts of items forming part of a set suite or other article of uniform nature colour or design where Damage or breakage occurs within a clearly identifiable area to a specific part and replacements cannot be matched
- c) The maximum amount payable in any period of insurance in respect of Damage to the Block of Flats or Private Dwelling House by a)-j) of the Perils Insured plus Additional Expenses shall not exceed the Sum Insured shown in the schedule as adjusted in accordance with the Inflation Protection and Extensions and Alterations clauses and any amount excluded under the Perils Insured

5 Maintenance

You must keep the Block of Flats or Private dwelling House in a good state of repair

6 Empty Blocks of Flats/Unoccupied Flats/Unoccupied Private Dwelling Houses

- We must be notified immediately in writing whenever a Block of Flats or Private Dwelling House becomes empty
- We will not pay for any claim arising under paragraphs c) (Malicious Damage) g) (Escape of Water) h) (Damage to Water Installations) i) (Theft) of the Perils Insured and paragraph d) (Glass) of the Extensions if any Flat(s) or Private Dwelling House(s) is/are left without an occupant for more than 30 consecutive days unless:
 - i) Either
 - a) the gas electricity oil and water supplies are turned off and during the months of October to March (inclusive) the water system (including the central heating system) is drained
 - or
 - b) during the months of April to September (inclusive) the gas electricity oil and water supplies are turned off and during the months of October to March (inclusive) the central heating system is put into effective operation for at least a minimum of 4 hours in every 24 hours with those services not necessary for its operation turned off/drained
 - ii) The Flat(s) or Private Dwelling House(s) is/are visited and inspected internally and externally at least once during each week by You or on Your behalf

7 Special Clauses

a) Extensions and Alterations

If during the period of insurance the value of the Block of Flats Your Flat or Your Private Dwelling House is increased because You have built an extension or have carried out other alterations We will automatically cover the value of these extensions and alterations provided they do not exceed 10% of the Sum Insured by this Section

We will not charge the extra premium during the period of insurance but You must advise Your broker or agent of the value of the extensions or alterations prior to the renewal date of the Policy

b) Reinstatement of Sum Insured

In the event of loss We will reinstate the Sum Insured from the date of any loss unless We give written notice to the contrary You may be required to pay some extra premium

c) Sale of Property Insured

If You have made a contract We will give the buyer the benefit of this Policy up to the date of completion provided the Flat Block of Flats or Private Dwelling House is not otherwise insured

d) Mortgage or Other Interests

The interest of the owner(s) mortgagee(s) lessor(s) or other interested parties in each individual Flat or Private Dwelling House insured by this Policy is noted You will be required to tell Us of these in the event of a claim

In addition We will protect the interest of the mortgagee(s) or lessor(s) in the event of any act or neglect of the mortgagor(s) or lessee(s) or occupier(s) of any Flat or Private Dwelling House where the risk of Damage is increased without the authority or knowledge of the mortgagee(s) or

lessor(s) provided the mortgagee(s) or lessor(s) shall tell Us in writing immediately they become aware thereof and pay any reasonable extra premium We may require

e) Inflation Protection

The Sum Insured on the Block of Flats or Private Dwelling House will be adjusted monthly in step with the Household Rebuilding Cost Index prepared by the Association of British Insurers We will not charge extra premium on monthly changes but when We invite You to renew We will do so for the final Sum Insured which will be based on the latest index figures available when the renewal invitation is prepared

In the event of a claim We will continue to adjust the Sum Insured during the period required to rebuild up to a maximum of three years provided that

- i) the Sum Insured at the date of loss is sufficient to rebuild the Block of Flats or Private Dwelling House
- ii) the rebuilding or repair is carried out without delay

Section 2 – The Contents of Communal Parts

1 What is Insured?

The Contents of Communal Parts are insured against Damage by the Perils Insured but not:

- landlords fixtures and fittings which We insure under Section 1
- articles of gold silver or other precious metals jewellery or furs clothing and personal effects
- Money (other than Money covered in Extension 3(b)) bills of exchange and promissory notes securities or documents of any kind
- any one curio picture or other work of art valued in excess of £1,000
- property which is insured by another policy
- property in the open
- pets and livestock
- motor vehicles caravans boats trailers or accessories in them or attached to them
- property in individual Flats or Private Dwelling Houses

2 Perils Insured

- a) Fire smoke explosion lightning and earthquake
- b) Riot civil commotion labour and political disturbances and strikes
- c) Malicious damage and vandalism but not:
 - Damage by You or Your family a Resident or any Employee
- d) Impact by
 - i) aircraft or other aerial devices or anything dropped from them
 - ii) vehicles
 - iii) trains
 - iv) animals but not:
 - Damage by domestic pets

- v) falling trees or branches
 - vi) falling aerials or masts
 - vii) falling television satellite dishes
- e) Storm or flood
 - f) Subsidence or heave of the site on which the Block of Flats or Private Dwelling House stands or landslip
 - g) Escape of water from or the freezing of fixed domestic water or heating installations
 - h) Theft or attempted theft but not:
 - loss by deception unless entry is gained by deception
 - Damage by You or Your family a Resident or any Employee
 - Damage to any portion of the Block of Flats or Private Dwelling House used for business or trade purposes other than Your Business
 - i) Escape of oil from any fixed domestic heating installation
 - j) Any other accidental damage but not:
 - everything excluded under a)-i) of the Perils Insured and Paragraph 1
 - Damage caused by wear tear gradual deterioration cleaning dyeing restoring light or atmosphere parasites or vermin mechanical or electrical breakdown or derangement adjustment or repair to any machine or misuse
 - sudden and unforeseen Damage to property which is insurable under an engineering insurance policy

3 Extensions

The Policy will pay for

a) Accidental Breakage in the Communal Parts of

- i) fixed glass in furniture but not:
 - glass in pictures and clocks
- ii) fixed glass in mirrors
- iii) glass tops to furniture and glass in shelves

b) Money

Loss from any cause of Money held by members of the Management Committee of the Residents Association for the benefit of individual flat/private dwelling house owners

- i) whilst in any locked safe or locked drawer in any Flat in the Block of Flats or Private Dwelling House within a housing development
- ii) whilst in transit within the Territorial Limits up to a maximum amount of £1,000

but not loss

- arising from fraud or dishonesty unless such loss is discovered within 14 clear days of the occurrence
- from unattended vehicles
- due to accounting or clerical errors

c) Landlords Gardening Equipment

Damage by the Perils Insured to landlords gardening equipment whilst in any locked outbuilding at the Block of Flats or housing development

but not:

- theft when entry is not gained or exit made by forcible and violent means
- any amount in excess of £1,000

4 Claims Settlement

If the Contents of the Communal Parts are damaged by any Peril Insured then We will pay the full cost of replacing the articles stolen or destroyed as new provided that the Sum Insured when the Contents of Communal Parts are damaged is sufficient to replace them as new

5 Inflation Protection

The amount of the Sum Insured in excess of £20,000 will be adjusted monthly in step with the rate of inflation

We will not charge You extra premium on monthly changes but when We invite You to renew We will do so for a Sum Insured based on the latest inflation figure available when the renewal invitation is prepared

Section 3 – Public Liability

1 Who is Insured?

You are insured against all sums that You shall become legally liable to pay as damages and claimants costs and expenses arising out of

- a) accidental Injury to any person
- b) accidental loss of or Damage to material property

occurring during the period of insurance and happening in connection with the Business within the Territorial Limits

The most We will pay for claims for one accident or series of accidents from one cause is the Limit of Indemnity shown in the schedule plus other costs incurred with Our written consent, but not:

- Injury to any Employee
- Damage to property which is owned leased let rented hired or lent or which is the subject of a bailment to You
- Injury loss or Damage caused by or in connection with or arising out of the ownership possession or use by You or on Your behalf of
 - i) any vessel or craft (other than hand-propelled boats or pontoons) devised or intended to float on or in or to travel on or through water or air
 - ii) any mechanically-propelled vehicle or trailer attached thereto except use within the grounds of the Block of Flats or Private Dwelling House of any such vehicle not licensed for road use and not constructed for the conveyance of passengers

provided that no other policy covers the liability This exception shall not apply to liability for accidents arising beyond the limits of the carriageway or thoroughfare in connection with the bringing of the load to any vehicle for loading thereon or the taking away of the load from any vehicle after unloading therefrom by any person other than the driver or attendant of the vehicle

- liability arising from any agreement unless liability would have attached in the absence of such agreement

In addition We will pay

- a) all other costs and expenses incurred with Our written consent
- b) the legal costs and expenses incurred with Our written consent for the defence of prosecutions brought under Sections 36 or 37 of the Health and Safety at Work etc Act 1974 or any alleged offence as detailed in Section 33(1) (a) (b) or (c) of the Act or under Health and Safety at Work (Northern Ireland) Order 1978 under Article 31 including legal costs and expenses incurred with Our consent in an appeal against conviction arising from such proceedings provided that the proceedings relate to the health safety and welfare of persons other than Employees but not:
 - fines or penalties
 - legal costs or expenses insured by any other policy

2 Extension 1 – Additional Persons Insured

We will also insure in the terms of this Section

- a) Your legal personal representatives in the event of Your death
- b) the owner or lessee of any Flat or Private Dwelling House
- c) if You so request any of Your directors or Employees as though each had been insured separately provided that
 - i) such persons observe the terms of the Policy insofar as they can apply
 - ii) We retain the sole conduct and control of all claims
 - iii) the most We will pay for claims for one accident or series of accidents from one cause is the Limit of Indemnity shown in the schedule plus other costs incurred with Our written consent, but not:
 - liability of any Resident incurred solely as occupier of his/her Flat or Private Dwelling House
 - liability of Your directors or Employees for which You would not have been covered if the legal action had been brought against You

3 Extension 2 – Defective Premises Act

We insure (subject otherwise to the terms of this Policy Section) Your liability under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of

- i) the parts of any Block of Flats and any Private Dwelling Houses formerly owned or leased by You and occupied solely for private residential purposes
- ii) any private dwelling formerly owned or leased by the owner or lessee of any Flat provided that
 - a) at the time of the incident giving rise to the liability You have sold that private dwelling or Flat but not:
 - Damage to the premises disposed of
 - b) no other policy covers the liability

The cover under this extension continues for seven years from the date of disposal of the premises provided You do not have this cover under another policy

4 Extension 3 – Cross Liabilities

If more than one person is referred to in the schedule each person shall be considered as a separate and distinct entity and cover shall be construed as applying to each person as though each had been insured separately provided that

the most We will pay for claims for one accident or series of accidents from one cause is the Limit of Indemnity shown in the schedule plus other costs incurred with Our written consent

Section 4 – Employers Liability

1 Who is Insured?

You are insured against all sums which You become legally liable to pay in respect of accidental Injury sustained during the period of insurance by any Employee and arising out of and in the course of employment by You in connection with the Business within the Territorial Limits or elsewhere in the world where any Employee may be working temporarily provided that any action for damages is brought against You in a Court of Law within the Territorial Limits, but not:

- so far as concerns
 - i) liability of any principal
 - ii) liability assumed by You under agreement and which would not have attached in the absence of agreement
- liability directly or indirectly arising from
 - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

The most We will pay under this Section for damages together with costs and expenses shown below in respect of any one claim against You or series of claims against You arising out of one event shall not exceed the amount shown in the Schedule Costs and expenses shall mean:

- 1) costs and expenses of claimants for which You are legally responsible
- 2) all other costs and expenses You have to pay provided that We have agreed to pay such costs and expenses in writing

- 3) the legal costs of defending in any court of summary jurisdiction any proceedings brought against You in respect of a breach or alleged breach of any statutory duty resulting in Injury that may be the subject of a claim

- 4) the legal costs and expenses incurred with Our written consent and costs awarded against You arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the period of insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that the proceedings relate to the health safety or welfare of any Employee but not:
 - fines or penalties
 - legal costs or expenses insured by any other policy

2 Additional Persons Insured

We will also insure in the terms of this Section

- i) Your legal personal representatives in the event of Your death
- ii) any principal in respect of the liability of such principal arising out of the performance by You or any agreement entered into by You for the performance of work for such principal to the extent required by such agreement

and if You so request

- iii) the owner or lessee of any Flat or Private Dwelling House
- iv) any of Your directors or Employees
- v) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official

provided that

- a) the claim relates to Injury to an Employee and is such that You would have been entitled to an indemnity had the claim been made against You
- b) such persons observe the terms of the Policy insofar as they can apply
- c) We retain the sole conduct and control of all claims

3 Recovery of Payments

The cover provided under this Policy Section is in accordance with the provisions of any law relating to the compulsory insurance of liability to Employees within the Territorial Limits but You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law

4 Vehicle Exclusion

This Section does not provide an indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicle (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicle (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other compulsory Road Traffic Act legislation

Section 5 – Terrorism

Only applicable if this Section is shown as operative in the Schedule.

Terrorism Insurance

In consideration of the payment of the Premium in respect of the Period of Insurance the cover provided under Sections 1 and 2 of this policy is extended to include Damage occasioned by or happening through or in consequence of Terrorism as hereinafter defined for the purposes of this Section

Terrorism is defined for the purposes of this Section only as

1. An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto as certified by Her Majesty's Government or H M Treasury or any successor relevant authority

or

2. An act of any person(s) acting alone and not on behalf of or in connection with any organisation who carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto and such act not being certified by Her Majesty's Government or HM Treasury or any successor relevant authority and in the event of any challenge to such non-certification the refusal to certify being upheld by a Tribunal ruling confirming such non-certification

Provided always that the insurance provided by this Section is:

- A) in respect only of the insurance provided by paragraph 1 of this Section not subject to the Policy Exclusions but is subject to the following War and Allied Risks exclusion:

Damage occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war is declared or not) civil war rebellion revolution insurrection or military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority

- B) in respect only of the insurance provided by paragraph 2 of this Section not subject to Policy Exclusion 7 (Terrorism etc)

- C) subject to the following additional exclusions:

1 Electronic Risks Exclusion

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from 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 or Denial of Service Attack

For the purposes of this exclusion the following definitions shall apply

Virus or Similar Mechanism

Virus or Similar Mechanism means 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

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

2 Excluded Property

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Damage in respect of:

- i) any property located outside England Wales and Scotland
 - ii) any nuclear installation or nuclear reactor
 - iii) any property which is specifically excluded elsewhere in this policy
 - iv) any property which is insured by or would but for the existence of this policy be insured by any form of transit aviation or marine policy
- D) subject to the following additional policy terms and conditions:
- 1) In any action or other proceedings where We allege that any Damage is not covered by this Section the burden

of proving that such Damage is covered shall be upon You

- 2) Except where otherwise indicated in this Section the insurance provided by this Section is subject to all the terms definitions exclusions conditions and provisions of this Policy Subject to any limits stated within this Section Our liability in respect of all losses arising out of any one occurrence and in the aggregate in any one period of insurance shall not exceed the limits as otherwise specified under this Policy

- E) in respect only of the insurance provided by paragraph 2 of this Section subject to the following additional policy term:

Our liability in respect of Damage directly or indirectly caused by contributed to by resulting from or arising out of or in connection with biological chemical or nuclear pollution or contamination will be subject to a limit of up to £25 million any one loss and in the aggregate during any one period of insurance

Special Clauses

Clause 1 applicable only if the Clause number is entered in the schedule Clause 2 applicable only if referred to in the schedule

1 Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with Us) pending this Policy being issued

2 Long Term Agreement

The discount shown in the schedule is allowed off the net premiums on this Policy in consideration of You having given an undertaking expiring on the date stated in the schedule to offer annually the insurance under this Policy on the terms and conditions in force at the expiry of each period of insurance and to pay the premium annually in advance it being understood that

- a) We shall be under no obligation to accept an offer made in accordance with the above-mentioned undertaking
- b) the Sum Insured may be reduced at any time to correspond with any reduction in value

The above-mentioned undertaking applies to any policy (or policies) which may be issued by Us in substitution for this Policy and the same discount shall be allowed off the net premium on any substituted policy or policies issued by Us

Payment of the premium due at the expiry date shown in the schedule shall mean You accept the terms of this clause

Exclusions

1 War and Nuclear Risks

Sections 1 2 and 3 of this Policy do not cover

- a) Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any legal liability of whatsoever nature directly or indirectly caused by or arising from
 - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii) the radioactive toxic or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- b) any contingency occasioned by or happening through war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

2 Date Recognition

Sections 1, 2 and 3 of this Policy shall not apply to any claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000

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

- iii) to capture save or 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 correctly to process such data on or after any date

but this shall not exclude in respect of Sections 1 (Buildings) & 2 (Contents) subsequent Damage not otherwise excluded which itself results from fire lightning explosion theft aircraft or other aerial devices or articles dropped therefrom riot civil commotion labour and political disturbances and strikes malicious damage earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle train or animal provided such contingency is insured by the Section

3 Pressure Waves

Sections 1 and 2 of this Policy do not cover Damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

4 Diminution of Value

Sections 1 and 2 of this Policy do not cover diminution of market value beyond the cost of repair or replacement

5 Pollution and Contamination

- a) Section 3 of this Policy excludes all liability in respect of 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

- b) Our liability under Section 3 of this Policy for all compensation payable 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 Limit of Indemnity stated in the schedule
- c) For the purpose of this Exclusion Pollution or Contamination shall be deemed to mean
 - i) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere
 - and
 - ii) all loss or damage or injury directly or indirectly caused by such Pollution or Contamination

6 Pre existing Damage Liability or Injury

This Policy does not cover Damage liability or Injury occurring before the cover under Your Policy started

7 Terrorism Exclusion

(Applicable to Sections 1 and 2)

This Policy does not cover loss damage cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with:

1. Any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
2. Any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
3. Civil commotion occurring in Northern Ireland

If We allege that by reason of this exclusion any loss damage cost or expense is not covered by this Section of the Policy the

burden of proving the contrary shall be upon You In the event any portion of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect

Definition – Terrorism

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

War and Terrorism Cover Amendment Clause

(Applicable only to Section 3)

The insurance provided by this Section is subject to the following:

1. Our liability under this Section for all damages costs and expenses payable in respect of all occurrences of Terrorism during any one Period of Insurance shall not exceed in the aggregate the sum of £2,000,000 or the Limit of Indemnity shown in the Schedule whichever is the lesser
2. Notwithstanding paragraph 1 above the indemnity will not apply to legal liability of whatsoever nature directly or indirectly caused or occasioned by or happening through or in consequence of Terrorism or any action taken in controlling preventing suppressing or in any way relating to Terrorism
 - a) arising by through or in connection with
 - i) the provision of police fire or security services of any kind
 - ii) any public or private utility including

- telecommunications electricity gas water radio and television
- iii) public transport services whether rail road sea or air
- b) arising out of the ownership operation or occupation of or work in at or on
 - i) airports airfields ports rail or underground stations freight or passenger terminals
 - ii) government military or local authority establishments
 - iii) buildings of more than 20 floors in height including basements and underground car parks
 - iv) facilities for the manufacture processing refining distribution or storage of liquid or gaseous fuel oil petrochemical chemicals explosives or ammunition
 - v) tunnels bridges viaducts aqueducts dams river or sea defences
 - vi) schools colleges universities or places of education or religious worship
 - vii) sports stadiums theatres or entertainment arenas amusement parks exhibition or conference halls

For the purpose of this Clause 'Terrorism' means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatsoever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes

**War and Terrorism Cover
Amendment Clause**

(Applicable only to Section 4)

Our liability under this Section for damages costs and expenses payable in respect of any one claim against You or series of claims

against you arising out of one event shall not exceed £5,000,000 This limitation shall only apply in respect of any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from War Civil War Terrorism or Political Risk as defined

For the purposes of this Clause "War Civil War Political Risk" means war invasion act 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 military or usurped power martial law confiscation or nationalisation or requisition or destruction of property by or under the order of Government or public or local authority Terrorism or any action in controlling preventing suppressing or in any way relating to any of the above

For the purposes of this Clause 'Terrorism' means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatsoever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes

**8 Computers and other
Equipment Components
or Systems**

Sections 1 and 2 of this Policy do 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 programming or operator error Virus or Similar Mechanism or Hacking

- b) Loss of Rent and Alternative Accommodation directly or indirectly caused by or arising from any programming or operator error Virus or Similar Mechanism or Hacking including where this results from the actions of malicious persons other than thieves

For the purposes of this Section Exclusion the following Definitions apply:

Definitions

- a) 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

This Definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs.

- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data

9. Excess Clause

We shall not be liable under the Perils Insured shown below for the first £100 of each and every loss in respect of wholly concrete floored Block of Flats or Private Dwelling Houses (increased to £250 in respect of timber floored Block of Flats or Private Dwelling Houses) after the application of any condition of Average

Section 1 – c e g h i and k

Section 2 – c e g h and j

We shall not be liable under Section 1 Peril f for the first £1,000 of each and every loss after the application of any condition of Average This clause does not apply if a higher amount has already been excluded

Policy Conditions

1 Policy Terms

You and everyone else insured under this Policy agree to the terms of this Policy in respect of anything that should or should not be done and the statements made and the answers in the Proposal/Statement of Fact are true and complete

If You break this Condition We may refuse to meet any claim

2 Precautions

You will be required to take all reasonable precautions to prevent a claim and must keep all the Property Insured in good condition and repair

3 Cancellation

Our Rights

We shall not be bound to accept any renewal of this Policy and may at any time give 21 days notice of cancellation by recorded delivery to Your last known address Thereupon You shall be entitled to the return of a proportionate part of the premium paid in respect of the unexpired term of this Policy provided that there have been:

- no claims made under the Policy for which We have made a payment
- no claims made under the Policy which are still under consideration
- no incident likely to give rise to a claim but is yet to be reported to Us

during the current Period of Insurance

This termination shall be without prejudice to any rights or claims of the Insured or the Company prior to the expiration of such notice

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given

Your Rights

You may cancel this Policy in the first year of insurance during the 14 days after the Contract has been concluded by giving notice in writing to Your Insurance Adviser at the address shown in their correspondence or to the AXA Insurance address shown on your Policy schedule. This right does not apply at the first or any subsequent renewal of the policy

Provided that there have been:

- no claims made under the Policy for which We have made a payment
- no claims made under the Policy which are still under consideration
- no incident likely to give rise to a claim but is yet to be reported to Us

during this 14 day period, We will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this Policy, subject to a minimum premium of £50.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given

4 Instalments Clause

If the premium on this Policy is payable by the Company's Budget Plan and You do not pay each instalment on the due date all cover under the Policy is cancelled automatically from the date such instalment was due or where statute requires the giving of prior notice the day following the expiry of such notice

If the premium on this Policy is payable by the Company's Budget Plan and during the current period of insurance:

- a claim has been made under the Policy for which We have made a payment

- a claim has been made under the policy which is still under consideration
- an incident has occurred which is likely to give rise to a claim but is yet to be reported to Us

the annual premium remains due in full. In such case monthly collections must continue or a one off payment be agreed to settle the outstanding amount

Where a one off payment is not made to settle the outstanding amount You must continue with the instalment payments. Alternatively we may deduct any outstanding instalments from any claim payment that may be due to You or payable on your behalf

Any instalments payments legitimately taken prior to the notification of cancellation of the Budget Plan agreement will be retained. Any refund of premium will be in respect of any subsequent collections taken between the time of notification and cancellation

5 Claims Procedure

If You wish to make a claim or if something happens which may lead to a claim You must notify Us as soon as possible either to Our branch whose address appears in the schedule or through Your broker or agent whose address also appears in the schedule

If there has been malicious damage theft or attempted theft You must also tell the police immediately

You will be required to complete the claim form We supply and return it to Us within 30 days of the incident with all the supporting documents and proofs We require for example written estimates

If You receive a writ summons or other legal process regarding a claim under the Policy You must send it immediately to Us

You must give Us all the help and information necessary to settle or resist a claim against You or to help Us take action against someone else

If the above procedure is not followed You will break a Condition of the Policy and We may not meet Your claim

6 Control of Claims

Do not admit deny negotiate or settle a claim without Our written consent However You should make temporary repairs to the Block of Flats or Private Dwelling House to prevent further Damage

7 Our Special Rights

We may enter any part of the Block of Flats or Private Dwelling House affected by a claim and take possession of it

You cannot abandon the Block of Flats or Private Dwelling House to Us We may in Your name and on Your behalf take complete control of legal action

We may take legal action in Your name against any other person to recover any payment We have made under the Policy We will do this at Our expense

8 Contribution

If at the time of a claim there is any other Policy covering anything insured under this Policy We shall be liable only for a proportionate share

9 Arbitration

If We admit liability for a claim but You cannot agree with Us the amount to be paid the disagreement will be referred to an arbitrator appointed jointly by You and Us in accordance with the law in force at the time You will not be able to take action in law against Us over this disagreement until the arbitrator has made his award

10 Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by You or anyone acting on Your behalf to obtain any benefit under this Policy or if any Damage is caused by Your wilful act or with Your connivance all benefit under the Policy will be forfeited

Making Yourself Heard

If You have cause for complaint, it is important You know We are committed to providing You with an exceptional level of service and customer care

We realise that things can go wrong and there may be occasions when You feel that We have not provided the service You expected. When this happens, We want to hear about it so We can try to put things right

Who to contact?

The most important factors in getting Your complaint dealt with as quickly and efficiently as possible are:

- to be sure You are talking to the right person, and;
- that You are giving them the right information

When You contact Us

- Please give Us Your name and a contact telephone number
- Please quote Your Policy and/or claim number, and the type of Policy You hold
- Please explain clearly and concisely the reason for Your complaint

So We begin by establishing Your first point of contact

Step One - Initiating Your complaint

Does Your complaint relate to:

A: Your Policy?

B: a claim on Your Policy?

If A, You need to contact the agent or AXA office who sold You Your Policy. Call the number on Your Policy document and state Your complaint

If B, You need to contact whoever is currently dealing with Your claim and state Your complaint

In either case, if You wish to provide written details, the following checklist has been prepared for You to use when drafting Your letter

- Head your letter 'COMPLAINT'
- Give your full name, post code and contact telephone number(s)
- Quote the type of Policy and your Policy and/or claim number
- Advise the name of your insurance agent/firm (if applicable)
- Explain clearly and concisely the reason(s) for your complaint

The letter should be sent to the person dealing with your complaint along with any other material required

We expect that the majority of complaints will be quickly and satisfactorily resolved at this stage, but if You are not satisfied, You can take the issue further

Step Two - If You are still unhappy

Should the response You receive be unsatisfactory please refer the matter using the relevant details below

Does Your complaint relate to:

A: Your Policy

B: a claim on Your Policy?

If A, ask to speak to the Branch Manager. Where they cannot assist they will ensure You are put into contact with the person who can resolve Your complaint

If B, please contact the relevant Claims Office, details of which You will have received following notifying Us of Your claim

Step Three - Contacting AXA Insurance Head Office

If Your complaint is one of the few that cannot be resolved by this stage contact the Head of Customer Care who will arrange for an investigation on behalf of the Chief Executive:

Head of Customer Care
AXA Insurance
Civic Drive
Ipswich
Suffolk
IP1 2AN

Tel: 01473 205926
Fax: 01473 205101
email: customercare@axa-insurance.co.uk

Step Four - Beyond AXA

If We have given You Our final response and You are still dissatisfied You may refer Your case to the Financial Ombudsman Service (FOS)

The FOS is an independent body that arbitrates on complaints about general insurance products. It will only consider complaints if:

- We have provided You with written confirmation that Our internal complaints procedure has been exhausted
- Your business has a turnover of less than £1,000,000

The Ombudsman can be contacted at:

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

Tel: 0845 080 1800
Fax: 020 7964 1001

Referral to the Ombudsman will not affect Your right to take legal action against Us.

Our promise to You

- Acknowledge written complaints promptly
- Investigate quickly and thoroughly
- Keep You informed of progress
- Do everything possible to resolve Your complaint
- Learn from Our mistakes
- Use the information from complaints to continuously improve Our service

AXA is a world leader in wealth management and financial protection. We operate in over 50 countries and serve more than 50 million customers worldwide. We cater to a wide range of needs, providing advice and guidance to our individual and corporate customers on a variety of financial products and services. In addition to Business, Motor and Home Insurance we also offer Investments, Life Assurance, Retirement Planning, Long Term Care, Asset Management, Medical Insurance and Dental Payment Plans.

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