

Your Residential Property Owners Policy



January 2017

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Welcome to AXA

Thank you for choosing AXA

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

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

Your policy

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

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

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

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

Throughout this **policy**, **we** use defined terms. Defined terms are used to explain what a word means and are highlighted in bold blue print. Details of the **policy** definitions can be found on page 7.

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

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

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

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

Important phone numbers

Glass replacement service

0300 303 2944*

A quick and efficient service available 365 days a year.

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

Making a claim

If **you** need to make a claim please first check **your policy** to make sure **you** are covered. **You** must then follow the instructions provided on pages 9 and 10 under the Claims notification condition and Claims procedures condition under Policy conditions.

Please contact **your** insurance adviser or email **us** at AXAclaims@Residentsline.co.uk and **we** will help deal with **your** claim quickly and fairly.

Making a complaint

If **you** are not happy with the way in which a claim or any other matter has been dealt with, please read 'Making a complaint' on page 105 of the **policy**.



rradar advisory service and important phone numbers

rradar advice and support included in your **Directors' and officers' liability section, Employment practices liability section and Company legal liability section.**

Only if these sections are operative

rradar's philosophy is to proactively help policy holders to understand all types of legislation, make sensible business decisions, stay compliant and prevent legal problems from occurring in the first place.

rradar Advice and Resource Centre

Enquiry line: 0800 955 6111

Email: advice@rradar.com

Member login at: www.rradar.com

rradar provides **you** with simple, user friendly information and guidance on a range of legal and regulatory issues including:

- **Human resources and employment**
- **Health and safety**
- **Waste and environmental regulations**
- **Taxation**
- **Money laundering, fraud, bribery and corruption, anti-competitive practices**
- **Legal advice on a wide range of areas** including directors' and shareholders' duties, contract disputes, intellectual property, data protection and cybercrime, financial crime, motoring and criminal offences.

rradar's unlimited enquiry line is staffed by UK based experts with real industry experience including HR professionals, Health & Safety specialists and former tax inspectors, as well as leading accountants, solicitors and barristers with experience of every type of regulator, allegation, investigation and prosecution. Call 0800 955 6111 and quote **your policy** number.

rradar's members only online portal provides unlimited access to a huge range of documents and resources including templates, draft contracts, specimen letters, 'how to' articles, case studies, video training process guides and policies. Login via www.rradar.com. **You** will need **your policy** number to create **your** unique login.

Your insurance adviser should e-mail full details of **your** claim to: claims@rradar.com

This includes access to expert legal, regulatory and risk management advice and support provided by leading law firm, **rradar**.

Crisis legal helpline

0800 955 6111

Should an incident occur, **rradar's** experienced team of expert defence, prosecution and investigation lawyers and industry experts are on hand to help **you** when **you** need expert legal advice. 24 hours a day, 7 days a week, 365 days a year.

The **rradar** legal team have experience of defending every type of claim in every court and by every regulator. Advice can be provided over the phone, by email, or face to face wherever needed. **rradar** will provide on-going support throughout a case and aim to provide ideas and options to prevent the same problem from happening again in the future. For assistance call 0844 543 6222 and quote **your policy** number.

Crisis public relations advice

0207 9397 999

Our crisis public relations advice helpline provided by one of the UK's leading crisis public relations consultants Chelgate Limited, No 1 Tanner Street, London, SE1 3LE. Please ask for the AXA claims team when **you** call. **You** may be asked to provide **your policy** number and to confirm that **we** have been notified of a **claim**. Advice will only be provided where **we** have accepted a **claim** under **your policy**.

All incidents that require instant claims and litigation expertise covered under **your policy** have immediate access to **rradar's** expert team around the clock every day of the year. If **you** encounter instances where **you** need more detailed written advice and/or review and/or drafting of documents which may fall outside the scope of **your policy** **rradar** can help complete such work and agree a simple fixed fee with **you** before the work is undertaken.

Please ring the enquiry line and **rradar** will be able to advise **you** on a range of topics.

Legal privilege

All information provided by **rradar** is legally privileged and has the backing of a team of highly qualified lawyers and barristers. *Legal privilege means **your** discussions with **rradar** and the advice given in any proceedings will remain confidential and cannot be used against **you** by a claimant, the police, or other organisations.*

Meanings of defined terms only applicable to Sections 1-8

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

Building(s)

Buildings at the **premises** shown in **your** schedule including

- 1 landlords fixtures and fittings, CCTV systems, entry and exit systems, security lighting and cameras, other security devices, fire protection devices and signs
- 2 outbuildings, annexes, private garages, foundations or footings, extensions, lamp posts, aerials, satellite dishes, solar panels, street furniture, swimming pools, tennis courts, squash courts
- 3 walls, gates, fences and hedges
- 4 yards, car parks, roads, pavements, paved terraces, patios, paths, drives
- 5 underground pipes, drains, piping, ducting, wires and associated switchgear and accessories on the **premises** and cables, septic tanks and cesspits belonging to **you** or which **you** are responsible for
- 6 tenants improvements which **you** are responsible for
- 7 fixed glass in windows, doors, fixed signs, fanlights, skylights, partitions and fixed sanitaryware
- 8 tenants stock and possessions to a value of £10,000 in total any one **period of insurance** lawfully secured in lieu of rent owed
- 9 landlords contents to a value of £10,000 any one **premises**
- 10 **Contents of communal parts.**
- 11 fixed fuel oil, diesel fuel and liquid petroleum fuel tanks

Business

Your ownership of the **premises** shown in the schedule including

- 1 owning, repairing, maintaining and decorating **your** own property or **premises you** use and land at the same address
- 2 providing and managing amenities for the benefit and welfare of employees
- 3 providing and managing facilities primarily used for fire prevention, safety or security
- 4 maintaining and repairing vehicles and machinery owned or used by **you**
- 5 private work **you** allow employees to do for **your** directors, partners or officers, as long as this work is done with **your** prior permission
- 6 the sale or disposal of the **buildings** or any part of these.
- 7 the sponsorship of events, of involvement in galas, carnivals, fetes, corporate hospitality or exhibitions happening at the **premises**

Contents of communal parts

Fitted carpets, wooden floors and laminate flooring, fixed glass or polycarbonate substitute in windows, doors, fanlights, skylights partitions and fixed sanitaryware, non-negotiable money, furniture and other furnishings belonging to **you** including the contents of parts used by **you** and seasonal items introduced to the **premises**.

But not

- 1 landlords contents
- 2 articles of gold, silver or other precious metals, jewellery or furs, clothing and personal effects
- 3 money, bill of exchange and promissory notes, securities or documents of any kind
- 4 property in the open
- 5 pets and livestock
- 6 motor vehicles, caravans, boats, trailers or accessories in them or attached to them
- 7 property in an individual flat or private dwelling houses.

Meanings of defined terms *continued*

Empty

Any **building** that is wholly unoccupied, mainly unoccupied, disused, unfurnished or not in active use by **you** or any of **your** tenants for more than 30 consecutive days.

Excess

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

Period of insurance

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

Policy

The policy and schedule and any endorsements attached or issued.

Policy territories

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

Premises

The address(es) shown in **your** schedule.

Rental income

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

Vermin

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

We/us/our/ourselves

AXA Insurance UK plc.

You/your/yourself

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

Policy conditions only applicable to Sections 1-8

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

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

There are additional conditions under each section of cover.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Alternatively, depending on the size of **your business**, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case this will not affect **your** right to take action against **us** over this disagreement.

This condition does not apply to Section 2 – Public liability and Section 3 – Employers' liability.

Cancellation condition

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

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

- 3 **You** may also cancel **your policy** at any other time during the **period of insurance** by giving 14 days notice to **us** in writing. **We** will refund part of the premium paid, proportionate to the unexpired **period of insurance** less a short period surcharge of £50.

- 4 **We** can cancel **your policy** immediately, without giving **you** notice, if the premium has not been paid. If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance**, the annual premium remains due in full.

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

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

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

Change in risk condition

You must tell **us** as soon as possible during the **period of insurance** but in any event within 30 days of any change

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

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

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

Claims notification condition

You must

- 1 as soon as practical
 - a give **us** notice of any circumstances which might lead to a claim under this **policy**
 - b give **us** all the information **we** request

2 immediately

- a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
- b** tell **us** about any prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under this **policy**
- c** notify the police of any loss or damage that has been caused by malicious persons, thieves, rioters, strikers or vandals.

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

Claims procedures condition

- 1** **You** must take, or allow others to take, practical steps to prevent further loss or damage, recover property insured lost and otherwise minimise the claim.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing of any injury, loss or damage and any further information or declaration **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a claim
 - c** details of any other relevant insurances.
- 3** **You** must not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
- 4** Following a claim **you** must allow **us** or anyone authorised by **us**
 - a** access to **premises**
 - b** to take possession of, or request delivery to **us** of any property insured.
- 5** **You** must not abandon any property to **us**.
- 6** **We** will be allowed complete control of any proceedings and settlement of the claim.

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

Fair presentation of risk condition

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

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

Policy conditions *continued*

- b** **we** will apply the formula calculated by reference to the premium that would have been charged to claims from the start of the **policy**, or the date of variation or from the date of renewal
- c** **we** will treat the **policy** as having different terms imposed from the start of the **policy**, or the date of variation or from the date of renewal

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

Fraud condition

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

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

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

we will

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

We may also inform the police of the circumstances.

Instalments condition

If **you** fail to pay a premium instalment to **us** on the date due, this will result in **your policy** being cancelled from the date the missed instalment was due. **You** will not be entitled to any return of premium where this happens.

If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance** the annual premium remains due in full.

Law applicable to this policy

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

Policy administration fees condition

We may charge **you** an administration fee if **we**

- 1** make any changes to **your policy** on **your** behalf
- 2** agree to cancel **your policy**, or
- 3** are requested to print and re-send **your policy** documents to **you**.

We will not make a charge without informing **you**.

Reasonable care condition

You must take reasonable steps to

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

If required by **us**, **you** must allow access to **your premises** and/or activities of **your business** to carry out inspection or survey.

You must comply with any risk improvements that **we** ask for, within a reasonable period of time, advised by **us**.

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

Subrogation (our rights) condition

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

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

Third party rights condition

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

Sanctions condition

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

Section 1 – Buildings

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Alternative basis of settlement

We agree that if any of the **buildings** shown in **your** schedule are **damaged**, **we** will pay **you** the value of the **buildings** at the time of its **damage** or at **our** option reinstate or replace the **buildings** or any part of it.

The most **we** will pay under this **policy** will not exceed

- 1 in the whole, the total sum insured or for any item its sum insured at the time of **damage**
- 2 the sum insured or limit remaining after deduction for any other **damage** occurring during the same **period of insurance** unless **we** have agreed to reinstate any of the sum insured or limits.

Assigned premises

Buildings formerly owned by, leased by or leased to **you**, which has been assigned to a successor landlord or tenant before any occurrence which may result in a claim under this section.

Consequential loss

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

Damage/damaged

Accidental loss or destruction or damage.

Declared value

Your assessment of the cost of reinstatement of the **buildings** at the level of costs applying at the start of the **period of insurance**, ignoring any increase in cost which may apply

Section 1 – Buildings continued

in the **period of insurance**, but including an allowance for

- 1 the additional cost of reinstatement to comply with public authority requirements
- 2 professional fees
- 3 debris removal costs
- 4 landlords contents fixtures and fittings
- 5 Value Added Tax.

Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, theft, earthquake, storm, **flood**, escape of water from any tank, apparatus or pipe, leakage of oil from any fixed heating installation or impact by any road vehicle or animal.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. 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.

Employed person(s)

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

Flood

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

Hacking

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

Non-standard construction

Constructed of materials other than those detailed in the meaning of **standard construction**.

Phishing

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

Standard construction

Built of brick, stone or concrete and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic roof lights.

Buildings constructed of metal panels and composite panels insulated with materials other than polystyrene will be regarded as standard construction.

Terrorism

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

For Northern Ireland: An act including, but not limited to the use of force or violence and or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious,

Section 1 – Buildings continued

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

For the Channel Islands and the Isle of Man:
An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto.

Virus or similar mechanism

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 meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

✓ What is covered

We will cover **you** for **damage** occurring during the **period of insurance** to any of **your buildings**. **We** will pay **you** for the value of the **buildings** at the time of its **damage** or for the amount of the **damage** or at **our** option reinstate or replace the **buildings** or any part of it.

Limit of cover

The most **we** will pay for any **buildings** covered by this section is the sum insured shown in **your** schedule for each item plus index linking unless stated in the wording that an extension will be paid in addition to the sum insured.

Extensions of cover

Additional management fees cover

We will cover **you** for the cost of managing agents fees that **you** incur for the management and supervision of repair or rebuilding work solely as a result of **damage**.

Provided that the fees solely relate to any additional work which would not have been necessary had the **damage** not occurred.

The most **we** will pay **you** for this cover is £25,000 during any one **period of insurance**.

Additional metered water cover

We will cover **you** for the additional metered water charges incurred by **you** as a result of **damage**. Provided that repairs are completed within 30 days of the **damage** being discovered. **We** will not cover **you** for the charges incurred for any **building** that is **empty**.

The most **we** will pay for this cover during any one **period of insurance** is £50,000.

The amount **we** pay will be based on the amount of the water charges for the period when the **damage** occurs, less the charge paid by **you** for the corresponding period in the preceding year. This will then be adjusted for changes in the suppliers' charges and for variations affecting **your** water consumption during the intervening period.

Archaeological discoveries cover

We will cover **you** for the costs incurred following **damage** as a direct result of **you** complying with **your** statutory obligations following the discovery of archaeological finds during site excavation.

Provided that **you** did not have any pre existing knowledge of the presence of archaeological remains prior to the start of works.

The most **we** will pay for this cover is £100,000 any one claim.

Architects, surveyors, legal and consulting engineers fees cover

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

Concern for welfare costs cover

We will cover **you** for **damage** caused by the police or people acting under their control in gaining access to the **buildings** as a result of their concern for the welfare of an occupier of the **buildings**.

Section 1 – Buildings continued

Provided that **we** will not be responsible for costs incurred following **damage** caused by the police in the course of criminal investigations.

The most **we** will pay for this cover is £25,000 any one claim.

Condition of average waiver cover

In the event of a claim **we** agree to waive Special condition **2** of the Day one average cover of this section providing

- 1** **you** can give **us** documentary evidence of a valuation/revaluation by a Fellow or Member of the Royal Institute of Chartered Surveyors made no more than three years before the **damage**
- 2** annual interim revaluations have been undertaken in accordance with the Royal Institute of Chartered Surveyors Rebuilding cost index
- 3** the **declared value** is based on the valuations/revaluations at each renewal.

In the event of any undisclosed structural alterations or additions, this waiver will not be valid until a subsequent revaluation has been completed and the **declared value** is amended accordingly.

Contractors interest cover

Where **you** are required to arrange insurance for the **buildings** in the joint names of **you** and the contractor under the terms of a contract condition then the interest of the contractor in the **buildings** as joint insured is noted.

Provided **you** advise **us** of details of any single contract valued in excess of £250,000 and pay any additional premium **we** may require.

Contract works cover

We will cover **you** for contract works undertaken on any **building** in the performance of any contract where **you** are responsible for arranging insurance cover under the terms of the contract.

Provided that

- 1** this cover will only apply as long as the contract works are not insured elsewhere
- 2** **we** will not be liable for the first £350 of each and every loss.

The most **we** will pay **you** for this cover is £25,000 for any one claim.

Damage to cables and underground pipes cover

We will cover **you** for the costs that **you** incur following **damage** for which **you** are responsible to cables and underground pipes including their inspection covers at the **buildings** or connecting the **buildings** to the public mains.

Day one average cover

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

For this purpose, reinstatement means

- 1** the rebuilding or replacement of **damaged buildings**, which provided **our** liability is not increased may be completed
 - a** in any manner suitable to **your** requirements
 - b** on a different site
- 2** the repair or restoration of **damaged buildings** in either case, to a condition equivalent to or the same as but not better or more extensive than its condition when new.

Provided that **you** have stated the **declared value**, shown in **your** schedule for each **building**, and the premium has been calculated accordingly.

Special conditions applicable to Day one average cover

- 1** At the start of each **period of insurance** **you** must tell **us** the **declared value** of each **building**. If **you** do not provide **us** with a new **declared value** the current **declared value** will be increased in line with the Inflation protection cover for the next **period of insurance**.
- 2** If at the time of **damage** the **declared value** of the **building** **you** are claiming for is less than the cost of reinstatement at the start of the **period of insurance**, **our** liability for any **damage** will be proportionately reduced and will be limited to the proportion that the **declared value** bears to the cost of reinstatement.

Section 1 – Buildings continued

- 3** **Our** liability for the repair or restoration of **buildings damaged** in part only, will not exceed the amount which would have been paid had the **buildings** been completely destroyed.
- 4** No payment will be made beyond the amount that would have been payable in the absence of this Day one average cover
- a** unless reinstatement starts and proceeds without unreasonable delay
 - b** until the cost of reinstatement has been incurred
 - c** if the **buildings** at the time of the **damage** is insured by any other insurance which is not on the same basis of reinstatement.

If **you** do not comply with Special condition **4** or **you** decide not to rebuild the **buildings** in a condition equal to but not better or more extensive than its condition when new, then this cover is cancelled and **our** and **your** rights and liabilities in respect of the **damage** will be subject to the following Condition of average (under insurance).

Condition of average (under insurance)

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

Designation cover

For the purpose of determining where necessary the heading under which any property is insured **we** agree to accept the designation under which such property has been entered in **your** books.

Drains clearance cover

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

Emergency services cover

We will cover the costs and expenses incurred by **you** following **damage** to the **buildings** resulting from the actions of the emergency services including deliberate acts where such deliberate acts are for the purpose of safeguarding human life or minimising **damage** covered by this section.

Environmental cover

We will cover **you** for the additional costs necessarily and reasonably incurred with **our** consent in rebuilding or repairing the **buildings** following **damage** in a manner that aims to reduce potential harm to the environment by improving energy efficiency.

We will not cover **you**

- 1** under this cover for the additional cost of complying with any European Union legislation, Act of Parliament or bye-laws of any public authority
- 2** for any additional costs for work **you** had already planned to be carried out prior to the **damage**
- 3** for any additional costs for replacing undamaged **buildings**
- 4** for any **empty buildings**
- 5** where **you** elect not to rebuild or repair the **building**.

The most **we** will pay for this cover is £500,000 any one claim for any one **building** in addition to the agreed sum insured for the **building**.

European Community and public authorities cover

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

- 1** European Community Legislation or
- 2** building or other regulations under or there to support any Act of Parliament or bye-laws of any public authority

referred to as the stipulations, for

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

Section 1 – Buildings continued

Excluding

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

Special conditions applicable to European Community and public authorities cover

- 1** Reinstatement work must be started and carried out without unreasonable delay and must be completed within 12 months after the **damage** or any further time that **we** agree (during those 12 months).
- 2** Reinstatement may be carried out on another site (if the stipulations require) subject to **our** liability under this extension not being increased.
- 3** If **our** liability under this section is reduced by the application of any of the terms and conditions of the **policy**, then **our** liability for European Community and public authorities cover will be reduced proportionately.
- 4** The total amount recoverable for any **buildings** will not exceed its sum insured.

Eviction of squatters expenses cover

We will cover **you** for legal expenses that **you** incur in pursuit of proceedings to evict squatters from any of the **premises** or parts of them with **our** prior written consent.

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

Expediting costs cover

We will cover **you** for the costs and expenses that **you** incur with **our** written consent for temporary repairs to the **buildings** in order to keep **your buildings** secured.

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

Explosion of steam pressure plant cover

We will cover **damage** to **buildings** with a **declared value** in excess of £1,000,000 resulting from the bursting of any boiler or other plant which belongs to or is under **your** control and in which internal pressure is due to steam only and which is not caused by any boiler or gas used for domestic purposes.

Provided that

- 1** **our** liability will not exceed £1,000,000 any one claim in excess of the first £1,000,000 any one claim
- 2** a separate Engineering insurance policy is in force for the first £1,000,000 of each and every claim
- 3** the plant is regularly inspected by an independent competent engineer in accordance with statutory requirements.

The Steam pressure exclusion under 'What is not covered' does not apply for this cover.

Extinguishment and alarm resetting expenses cover

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

Falling aerials cover

We will cover **you** for **damage** to the **buildings** arising from breakage or collapse of television and radio receiving aerials (including satellite dishes) fittings and masts.

Fly tipping cover

We will cover **you** for the costs that **you** necessarily and reasonably incur in clearing and removing any property illegally deposited in or around the **buildings**.

The most **we** will pay for this cover is £5,000 for any one claim and £30,000 during any one **period of insurance**.

Frustrated legal costs cover

If the sale of any **buildings** is cancelled solely as a result of **damage** then **we** will cover **you** for the actual loss sustained by **you** for legal costs and expenses incurred or subsequently incurred solely as a result of the cancellation of the sale as a result of the **damage**.

The most **we** will pay for this cover is £25,000 during any one **period of insurance**.

Further investigation expenses cover

Where a **building** has suffered **damage** and in the opinion of a competent construction professional there is a reasonable possibility of other **damage** to portions of the same **building** which is not immediately apparent, **we** will cover the reasonable costs incurred by **you** with **our** written consent in establishing whether or not such **damage** has occurred.

We will also cover the reasonable costs incurred by **you** with **our** written consent in establishing whether or not other surrounding **buildings** have suffered **damage** in the same incident but only if those **buildings** are subsequently found to have suffered **damage** for which **we** are responsible.

Gardening equipment cover

We will cover **you** for **damage** to gardening equipment whilst in any locked outbuilding at the **premises** but not theft unless involving entry to or exit from the outbuilding by forcible and violent means.

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

Glass breakage cover

We will, at **our** option, pay for or make good any breakage or malicious scratching of all internal

or external fixed glass, belonging to **you** or for which **you** are responsible at the **premises**. Provided that the glass is in good condition and free from **damage** at the start of this **policy**.

We will also pay for the cost of

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

Hire agreement cover

It is agreed that at **your** request the interest of owners of hired in equipment are noted. **You** must provide **us** with the names, nature and extent of such interests at the time of the **damage**.

Illegal cultivation of drugs cover

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

Provided that **you**

- 1 carry out internal and external inspections of the **buildings** at least every 3 months or as frequently as is permitted under the tenancy agreement and
 - a maintain a log of those inspections and retain that log for at least 24 months
 - b carry out a 6 monthly management check of the inspections log
- 2 obtain and record a written formal identification of any prospective tenant
- 3 obtain and retain a written employers reference for any new tenant
- 4 obtain and record details of **your** tenant's bank account and verify those details by receiving at least one payment from that account

Section 1 – Buildings continued

- 5** advise **your** tenant, where sub-letting is allowed by the tenancy agreement, that they must follow the measures laid out in items **2**, **3** and **4** above for all lettings that they arrange.

If **you** do not comply with the above **you** will not receive payment in respect of a claim.

Inflation protection cover

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

Insurance premiums cover

We will cover **you** for the costs of any additional insurance premiums incurred solely as a result of **damage**.

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

Involuntary betterment cover

In the event that new property of like kind and quality is not available, new property which is as similar as possible to that which is **damaged** and is capable of performing the same function, will be deemed to be new property of like kind and quality and in no event will this be considered as a betterment to **you**.

In the event of replacement with new property **we** will pay the cost of purchasing and installing technologically current equipment which is needed due to incompatibility between

- 1** new equipment installed to replace the **damaged** equipment
and
- 2** non **damaged** existing equipment at the same or an interdependent location provided that
 - a** the **damage** is covered by this section
 - b** **we** will only pay the amount sufficient to enable **you** to resume operations in substantially the same manner as before the **damage**

we will pay the difference between

- i** the highest sales value of the non **damaged** existing equipment at the same or interdependent location and
- ii** the installed cost of the technologically current equipment.

The most **we** will pay for this cover is £500,000 any one claim.

For the purpose of the application of any **excess** the **damage** and the necessity to replace incompatible equipment shall be regarded as one occurrence.

Landscaped gardens cover

We will cover **you** for the costs that **you** incur in restoring any **damage** to landscaped gardens including trees at the **premises** as a result of **damage** covered by this section.

Landscaped gardens (emergency services) cover

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

Liability under Landlord and Tenants Covenants Act 1995 (Privity of Contract) cover

The cover provided under this section is on a claims made basis.

All costs and expenses incurred with **our** prior written approval are included within the limits of liability stated in part **3** of this cover.

- 1** **We** will cover **you** for legal liability as a former landlord or tenant to any current landlord or tenant to provide cover to repair or reinstate **damage** to premises which
 - a** arises from a breach by any current landlord or tenant of their obligations under a lease to provide cover to repair or reinstate **damage** covered under this section to any **assigned premises** where **you** have also breached those obligations

and

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- b** arises out of any claim which is first made in writing to **you** during any **period of insurance** and notified to **us**
 - i** during
 - or
 - ii** within 30 days after expiry of the same **period of insurance**.

2 We will cover **you** for **your** legal liability for claimant's costs and expenses in connection with **1** above.

3 We will cover **you** for

- a** the costs of legal representation at court proceedings arising out of any occurrence specified in **1** above, which may be the subject of indemnity under this cover incurred with **our** written consent
- b** all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under **1** above incurred with **our** written consent

provided that

- i** **our** liability any one claim for **buildings** and **rental income** will not exceed £2,000,000 in the aggregate any one **period of insurance**
 - ii** in no circumstances will **our** liability exceed the lesser of

1 the difference between

- a** the amount payable under the insurance effected by any other landlord, former landlord, tenant, former tenant or any other insurance of this type

and

- b** the total cost of insurance repairs or reinstatement provided for by this **policy**

except in cases which fall within **2a** and **2b** below, the difference between

- 2 a** the amount payable under any insurance effected by any other landlord, former landlord, tenant, former tenant or any other insurance of this type

and

- b** the total amount payable by the **alternative basis of settlement** under this **policy**

if at the date of the claim the **assigned premises** is intended for renovation, refurbishment or redevelopment

- c** in either of **1a**, **1b**, **2a** or **2b** above **our** rateable portion of the **damage** calculated according to the number of people (whether insured or not) who have at any time held or who hold the reversion of the lease of the **assigned premises**

- 3 you** must take all reasonable steps, including but not limited to, making or joining in any necessary application to court to obtain release from its liabilities as former landlord or tenant of the **assigned premises** following disposal.

Loss minimisation and prevention expenditure cover

We will pay the costs and expenses necessarily and reasonably incurred by **you** or on **your** behalf to

- 1** prevent or minimise further **damage** at the **premises**
- 2** prevent **damage** threatened by the illegal deposit of combustible property in on or around the **premises**.

Provided that these costs are

- a** as a direct result of or directly related to the **damage** or threatened **damage**
- b** not more specifically insured under this or any other policy, bond, indemnity security or other legally binding contract
- c** incurred with **our** consent for any amount greater than £2,500 any one loss.

Provided that

- i** **you** will be responsible for the first 10% of all costs payable or £350 whichever is the greater
- ii** the most **we** will pay for this cover is £25,000 in any one **period of insurance**.

Loss of investment value cover

If any **building** awaiting sale suffers **damage** and the sale is delayed because of the **damage** and the price achieved is less than would have been achieved had the sale of the **building** not been delayed, **we** will cover **you** for loss of investment value following delay in sale as a result of **damage**. Provided that the loss was specifically due to **damage** and not due to a general decline in investment values.

You will have to substantiate the amount **you** are claiming for and this will need to be agreed by **us**. **We** will take into consideration any amounts already recovered for **damage** covered under this section or from any other policy.

Provided that

- 1 if at the time of **damage you** have entered into a contract to sell **your** interest in the **buildings** or have accepted an offer in writing and the sale has not been completed, solely as a result of **damage**
- 2 the most **we** will pay for this cover is £500,000 for any one claim in addition to the agreed sum insured for the **buildings**.

Loss of market value cover

We agree that

- 1 if **you** elect not to repair or rebuild the **buildings**, **we** will pay **you** the reduction in the market value of the **buildings** immediately following the **damage** but not exceeding the amount which would have been payable had the **buildings** been repaired or rebuilt
- 2 if as a result of **damage you** are required to rebuild or reinstate the **buildings** in a manner different from that immediately before the **damage** solely to comply with the Stipulations (as defined in the European Community and public authorities cover) and as a result there is reduction in market value of the **buildings we** agree to pay
 - a the cost of repairing or reinstating the **buildings**
 - b a cash settlement representing the reduction in market value

so that the total payment made is no greater than the amount that would have been payable had the **buildings** been repaired or reinstated in an identical manner to their condition immediately before the **damage**.

Provided that the total amount recoverable under any item of the **policy** will not exceed its sum insured.

Money cover

We will cover **you** for loss of money held for individual flat/private dwelling owners, by members of the management committee of the residents association or by their property manager

- 1 whilst in any flat or private dwelling house forming part of the **premises**
- 2 whilst in transit within the **territorial limits**.

We will not cover **you** for any loss

- a arising from fraud or dishonesty unless it is discovered within 14 days
- b due to accounting or clerical errors
- c from unattended vehicles.

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

Mortgagees and other interests cover

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

In addition, **your** interest or the interest of the mortgagee(s) under this insurance will not be prejudiced by any act or neglect of the occupiers or mortgagors of any **buildings** where the risk of **damage** is increased without **your** or the mortgagees authority or knowledge. Provided that once **you** or the mortgagees are aware of the increased risk, **you** must give **us** written notice as soon as possible and pay any additional premium that **we** may require.

Munitions of war cover

The War risk exclusion will not apply to **damage** to **buildings** from or occasioned by the

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detonation of munitions of war or parts thereof in or within five miles of the **premises**, provided that the presence of such munitions does not result from a state of war current at the time of **damage**.

Non-invalidating cover

The cover provided by this section will not be invalidated by any act or omission or an alteration where the risk of **damage** is increased unknown to **you** and beyond **your** control, provided that when **you** become aware of it, **you** tell **us** immediately and pay any necessary additional premium and comply with any additional terms agreed with **us**.

Obsolete building materials cover

We will cover **you** for the reasonable additional costs that **you** incur in the replacement of **damaged buildings** where more modern materials are used, provided that the original materials used at the time of installation were appropriate for the type of building considering other materials available at that time.

The replacement **buildings** will not be regarded as being better or more extensive than when new, provided that **our** liability does not exceed 10% of the relevant **declared value** of the **buildings** for the additional costs.

Personal possessions cover

We will cover **you** for **damage** to any of **your** directors, partners, customers, visitors and **employed persons** personal effects (other than motor vehicles) provided that they are not insured elsewhere.

The most **we** will pay for this cover is £500 any one person.

Public relations expenses cover

We will cover reasonable costs incurred by **you** if as a result of **damage** to any **building you** need to employ suitable public relations personnel to deal with press and public announcements or other necessary activities.

The most **we** will pay for this cover is £2,500 for any one claim and £10,000 during any one **period of insurance**.

Reinstatement of sum insured after loss cover

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

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

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

Reinstatement to match cover

We will cover **you** for the cost of replacement or modification of non **damaged** parts of the **buildings** that form part of a suite, common design or function where the **damage** is restricted to a clearly identifiable area or to a specific part.

Provided always that **our** liability will in no case exceed 10% of the **declared value** any one occurrence or the amount that would have been payable had the suite, common design or function been wholly destroyed, whichever is the less.

Removal of debris cover

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

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

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

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

Removal of debris (tenants contents) cover

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

We will not cover costs or expenses

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

Removal of nests cover

We will cover **you** for the cost of removing wasps, bees or hornets nests from the **buildings**.

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

Removal of vermin cover

We will cover the reasonable costs incurred by **you** where **you** are required by a local authority or similar body to have **vermin** removed from any **building**.

The most **we** will pay for this cover is £5,000 for any one claim and £25,000 during any one **period of insurance**.

Rent and alternative accommodation cover

We will cover **you** for

- 1** the loss of **rental income**
- 2** costs of reasonable alternative accommodation for **your** tenants or lessees and temporary storage of **your** tenants or lessees furniture
- 3** the costs of reasonable accommodation in kennels or catteries for **your** tenants or lessees dogs and cats

while **your premises** are unfit to live in, or while access to **your premises** is denied regardless of whether **your premises** is **damaged**

- a** as a result of **damage** covered under this **policy**
- b** as a result of actions taken by the police or any other statutory body in response to a danger or disturbance at **your premises** or within a 1 mile radius of **your premises**
- c** following interruption of or interference with **your premises** by a cause covered under this section to property at any
 - i** public electricity generating station or sub station
 - ii** land based premises of the public gas supply or of any natural gas producer linked directly to them
 - iii** water works and pumping stations of the public water supply
 - iv** land based premises of the public telecommunications network

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

The most **we** will cover is 35% of the sum insured for **buildings** shown on **your** schedule in addition to the agreed sum insured for the **building** for a maximum period of 36 months from the date of **damage** for which **we** are covering a loss provided this cover is not insured elsewhere

- d** following
 - i** the occurrence of any of the following specified human infectious or human contagious diseases suffered by any person at **your premises** or within a 25 mile radius of it
 - Acute Encephalitis
 - Acute Poliomyelitis
 - Anthrax
 - Chicken pox
 - Cholera
 - Diphtheria
 - Dysentery
 - Legionellosis
 - Legionnaires Diseases

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- Leprosy
 - Leptospirosis
 - Malaria
 - Measles
 - Meningococcal Infection
 - Mumps
 - Ophthalmia Neonatorum
 - Paratyphoid fever
 - Plague
 - Rabies
 - Rubella
 - Scarlet Fever
 - Smallpox
 - Tetanus
 - Tuberculosis
 - Typhoid Fever
 - Viral Hepatitis
 - Whooping Cough
 - Yellow Fever
- ii** murder, suicide or rape at **your premises**
- iii** injury or illness sustained by any person arising from poisoning directly caused by the consumption of food or drink at **your premises**
- iv** **vermin** at **your premises** that prevents the use of the **buildings** by order of a public authority
- v** the closing of the whole or part of **your premises** by order of a competent public authority as a result of a defect in the drains or other sanitary arrangements at **your premises**.

This cover will apply for a period of up to 3 months beginning with the occurrence of the loss during which the **rental income** is affected as a result of murder, suicide, rape, disease or **damage**.

Seventy two hour cover

We will cover **you** for **damage** within 72 consecutive hours caused by earthquake, storm

or **flood** as one claim, provided the perils are covered by this section.

You can decide when the 72 hour period starts as covered by this section, provided that all **damage** occurs within the **period of insurance**.

Sprinkler upgrade costs cover

We will cover **you** for the additional costs incurred following **damage** to the **buildings** to upgrade an automatic sprinkler installation within **your buildings** in order to meet current Loss Prevention Council (LPC) rules.

Provided that at the date of the **damage** the installation conforms to the LPC rules current at the date of installation and that the system has a complete service record up to the date of the **damage**.

Subrogation waiver cover

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

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

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

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

Subsidence, ground heave and landslip

We will cover **you** for **damage** to the **buildings** caused by subsidence, ground heave or landslip of any part of the site on which the **buildings** stands, but **we** will not cover

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1 the first £1,000 of each and every loss at each separate **premises** as ascertained after the application of any condition of average

2 **damage** to yards, car parks, roads, pavements, walls, gates and fences

unless **damage** occurs to a building covered under this section at the same time by subsidence, ground heave or landslip

3 **damage** caused by or consisting of

- a** the normal settlement or bedding down of new structures
- b** the settlement or movement of made-up ground
- c** coastal or river erosion
- d** defective design or workmanship or the use of defective materials
- e** fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe

4 **damage** which originated before the start of this cover

5 **damage** resulting from

- a** demolition, construction, structural alteration or repair of any building or
- b** ground works or excavation at the **premises**.

Temporary removal cover

We will cover **you** for the temporary removal of

- 1** property insured covered by this section for cleaning, renovation or repair
- 2** deeds, documents and plans

to any building within the **policy territories**.

The most **we** will pay for this cover for any one claim under each of **1** and **2** is £50,000.

Theft of building fabric cover

We will cover **you** for

- 1** **damage** to the external fabric of the **buildings** as a result of theft or attempted theft

2 **damage** following entry of rainwater as a result of theft or attempted theft of the external fabric of the **buildings**.

Provided that **you** will be responsible for the first £350 for each and every loss after the application of any condition of average.

This cover does not apply to any **buildings** which are **empty**.

Theft of keys cover

We will cover **you** for the cost of replacing external door locks or resetting digital locks after the loss of keys due to

- 1** theft from the **buildings**, registered office or from **your** home
- 2** theft following hold-up when the keys are in the personal custody of **you** or any principal, director, partner or **employed person** authorised to hold such keys
- 3** reasonable evidence that the keys have been duplicated by an unauthorised person.

The most **we** will pay for this cover for any one **premises** any one **period of insurance** is £7,500.

Trace and access cover

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

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

Transfer of interest cover

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

Tree felling or lopping cover

We will cover **you** for the cost of felling or lopping trees at the **premises** which are immediate threats to the safety of life or property as a result of **damage**.

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

Tree removal cover

We will cover the reasonable costs and expenses necessarily incurred in removing fallen trees and branches from the **premises** resulting from **damage**.

The most **we** will pay for this cover is £500 for any one claim and £5,000 during any one **period of insurance**.

Unauthorised use of electricity, gas, oil and water cover

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

Undamaged portions of buildings cover

We will cover **you** for the costs and expenses necessarily incurred by **you** with **our** prior consent in replacing or modifying non **damaged** portions of the **buildings**.

Providing it is necessary to make those alterations and they are in keeping with the repairs, restoration or replacement of the **damaged** portion of the **buildings**.

The most **we** will pay **you** for this cover for the undamaged portions of the **buildings** (other than foundations) is 20% of the total cost of rebuilding had the **damaged buildings** been totally destroyed.

Value added tax (VAT) cover

We will cover **you** for VAT, paid by **you**, which is not recoverable.

Provided that

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

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

x What is not covered

Aircraft or aerial devices exclusion

We will not cover **you** for damage caused by or occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but **we** will cover subsequent **damage** which itself results from a cause covered by this section.

Brittle articles exclusion

We will not cover **you** for damage to glass (other than fixed glass) china, earthenware,

Section 1 – Buildings continued

marble, curiosities, works of art or other fragile or brittle objects other than **damage** caused by a **defined peril** which is covered by this section.

Collapse exclusion

We will not cover **you** for damage to the **building** or structure caused by its own collapse or cracking other than for **damage** caused by a **defined peril** which is covered by this section.

Collusion exclusion

We will not cover **you** for damage by theft or attempted theft caused by or in conjunction with **you** or any of **your** partners, directors or **employed persons** or any member of **your** family or any other person lawfully at the **premises**.

Date recognition exclusion

We will not cover **you** for damage directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date. But **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

Electronic risks exclusion

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

- 1 the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2 any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed

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

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for damage caused by malicious persons other than thieves.

Excess exclusion

We will not cover **you** for the amount shown below for each and every loss at each **premises** after the application of all other terms and conditions of the **policy** including any condition of average:

- 1 **damage** by fire, lightning, explosion, aircraft, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or earthquake £Nil
- 2 **flood** £100
- 3 all other **damage** £100.

Faulty or defective workmanship exclusion

We will not cover **you** for damage caused by or consisting of faulty or defective workmanship, operational error or omission by **you**, any **employed persons** or anyone on **your** behalf, other than for **damage** caused by a **defined peril** which is covered by this section.

Fraud and dishonesty exclusion

We will not cover damage which results from acts of fraud or dishonesty by **you**, **employed persons** or any other person who is responsible for the **buildings** or results from voluntarily parting with title or possession of any **buildings** as a result of a fraudulent scheme, trick, device or false claim. But **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

Miscellaneous damage exclusion

We will not cover **you** for damage caused by or consisting of

Section 1 – Buildings continued

- 1 corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, **vermin** or insects
- 2 change in temperature, colour, flavour, texture or finish
- 3 joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- 4 mechanical or electrical breakdown or derangement for the particular machine, apparatus or equipment where the breakdown or derangement originates

other than for **damage** caused by a **defined peril** which is covered by this section.

More specific insurance exclusion

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

Other property exclusion

We will not cover **you** for damage to

- 1 property or structures in course of construction or erection and materials or supplies in connection with all such property
- 2 land, piers, jetties, bridges, culverts and excavations
- 3 trees or growing crops
- 4 pitch fibre pipes

unless specifically covered by this section.

Pollution or contamination exclusion

We will not cover **you** for any damage caused by pollution or contamination unless the **damage** is caused by

- 1 pollution or contamination which itself results from a **defined peril** provided that peril is covered by this section
- 2 any **defined peril** provided that peril is covered by this section, which itself results from pollution or contamination.

Property in the open exclusion

We will not cover **you** for **damage** to walls fences and gates unless made from brick stone or metal and moveable property in the open caused by wind, rain, hail, sleet, snow, **flood**, dust or theft

Radioactive contamination exclusion

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

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

Steam pressure exclusion

We will not cover **you** for damage caused by or consisting of the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus where internal pressure is due to steam only belonging to **you** or under **your** control.

But **we** will cover subsequent **damage** which results from a cause covered by this section.

Terrorism and Northern Ireland exclusion

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

- 1 for England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss

Section 1 – Buildings continued

- b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**

2 for Northern Ireland

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

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

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

Unexplained loss exclusion

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

War risk exclusion

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

Wear and tear, deterioration exclusion

We will not cover **you** for damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level or its own faulty or

defective design or materials. But **we** will cover subsequent **damage** which itself results from a **defined peril** covered by this section.

Section conditions

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

Change in tenancy condition

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

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

Construction of buildings condition

Unless otherwise stated the **buildings** described in **your** schedule must be of **standard construction**.

Contribution and average condition

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

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

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

Empty properties condition

1 You must tell **us** immediately **you** become aware

- a** that the **building** is **empty**

- b** of any **damage** to the **empty building** whether the **damage** is insured or not.
- 2** **You** must ensure that the **building** is inspected internally and externally at least once a week by **you** or on **your** behalf and a written record of the inspection must be maintained by **you**.
 - 3** **You** must ensure that all refuse, waste materials and any combustible residual tenants contents be removed from the interior of the **building** and no accumulation of refuse and waste is allowed in the adjoining yards or space owned by **you**.
 - 4** **You** must secure the **building** and put all protective, locking devices and any alarm protection into effective operation.
 - 5** **You** must ensure that the gas and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm systems).
 - 6** Any **empty building** or **empty** portion of the **building** must have all water supplies including sprinkler systems drained and isolated from the mains.
 - 7** **You** must implement any additional protections that **we** may require within the time scale **we** specify.
 - 8** All **damage** to the **building** must be rectified immediately.
 - 9** Letterboxes must be sealed.
 - 10** The final exit door of the **building** must be secured by an appropriate mortice deadlock which has five or more levers and conforms to British Standard (BS) 3621 or European Norm (EN) 1303 together with a matching metal box striking plate, installed in accordance with the manufacturers recommendations.

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

Explosion condition

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

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

Flat roof condition

Any flat portions of the roof of the **buildings** are to be inspected once every two years by a competent roofing contractor and any recommendations implemented.

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

Payments on account condition

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

Reinstatement condition

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

Workmens' condition

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

Section 2 – Public liability

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Asbestos

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

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

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

Clean up costs

Costs and expenses of remediation of environmental damage or environmental harm.

Electronic data

Facts, concepts or information in a form usable for communications, interpretation or processing by electronic or electro-mechanical data processing or electronically controlled equipment which includes programmes, software, firmware, operating systems or other coded instructions for the processing or manipulation of data.

Section 2 – Public liability *continued*

Employed person

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

Enforcing authority

Any government or statutory authority, implementing or enforcing environmental protection legislation in the **policy territories**.

Event

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

Financial loss

Loss not accompanied by or as a result of **bodily injury, personal injury or property damage** that **you** have caused to anyone who has a lease agreement with **you** in connection with the **business** arising out of a defect or the unsuitability of the property let or **your** failure or partial failure to let the property or provide the agreed services.

Manslaughter costs

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

Nuisance or trespass

Nuisance, trespass to land or trespass to goods, or interference with any easement.

Offshore

On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.

Personal injury

Personal injury or infringement of a person's legal right other than

- 1 bodily injury**
- 2** a right arising from title to, or an interest in property.

Pollutants

Any solid liquid or gaseous pollutant contaminant or irritant substance or any biological agent that is a danger to human health.

Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

Property damage

Loss of or damage to property that **you** do not own or possess and is not in **your** custody or under **your** control.

Safety legislation costs

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

Sudden incident

Sudden identifiable unintended and unexpected incident that does not originate from a gradual, continuous or repetitive cause.

Terrorist act

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

✓ What is covered

We will cover the amount of damages which **you** are legally liable to pay in respect of

- 1** **bodily injury**
- 2** **personal injury**
- 3** **property damage**
- 4** **nuisance or trespass**

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

If legal liability to pay damages in respect of **property damage** or **nuisance or trespass** arises from a release or escape of **pollutants** into the atmosphere or onto land, water, buildings or any structure, the cover will only apply to a **sudden incident** which happens at a specific time and place during the **period of insurance** within the **policy territories** and all **property damage** or **nuisance or trespass** will be considered as having occurred at the time of the **sudden incident**.

Claims costs cover

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

Compensation for court attendance cover

We will compensate **you** at the rate of £500 per day, for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Contingent motor liabilities cover

We will cover the amount of damages which **you** are legally liable to pay and **claim costs** in respect of accidental

- 1** **bodily injury**
- 2** **property damage**

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

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

and the Road Traffic Act exclusion in this section will not apply to that liability.

We will not pay

- 1** for loss of or damage to any motor vehicle referred to in **a** or **b** above
- 2** unless the motor vehicle is being driven with **your** permission and **you** have taken reasonable steps to ensure that the person driving holds a valid licence to drive the motor vehicle
- 3** where cover is provided by another insurance policy.

Cross liabilities cover

Any person, firm, company or organisation covered by this section, is entitled to the cover as if a separate **policy** had been issued to each and where **you** are a membership organisation, the cover will apply to each member as if a separate **policy** had been issued to each member.

However the amount payable by **us** in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in **your** schedule.

Data protection cover

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

We will only pay

- 1** amounts of compensation which **you** are ordered to pay, or which **you** might reasonably be expected to pay by a court having jurisdiction

Section 2 – Public liability *continued*

- 2** if **you** are registered or are in the process of registration (and the application has not been refused or withdrawn) under Data Protection legislation

within the **policy territories**.

We will not cover

- 1** fines or penalties imposed by a court
- 2** the costs of any appeal against the refusal of an application for registration or alteration, in connection with the Data Protection legislation or any enforcement, de-registration or prohibition notice
- 3** the cost of replacing, reinstating, rectifying or erasing any personal data
- 4** refund of monies paid to **you** by any claimant
- 5** compensation costs and expenses covered by any legal expenses insurance.

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

Defective Premises Act cover

We will cover the amount of damages which **you** are legally liable to pay in respect of accidental **bodily injury** or **property damage**, occurring during any one **period of insurance**, arising out of premises **you** have disposed of, but had previously owned in connection with the **business**.

We will not cover

- 1** loss of or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them
- 2** any liability for which **you** are covered under any other insurance policy.

Environmental clean up cover

We will cover the amount of **clean up costs** which **you** are legally liable to pay, under a notice or order imposed upon **you** by an **enforcing authority**, arising from a release or escape of **pollutants**, onto or into land, surface water or ground water.

The cover will only apply to a **sudden incident** which happens at a specific time and place during the **period of insurance** in connection with the **business**, within the **policy territories**.

The maximum **we** will pay for all **clean up costs**, as a result of one **sudden incident** or all such incidents happening during any one **period of insurance**, is £1,000,000.

Where a claim for damages arises in addition to **clean up costs** as a result of the same **sudden incident**, the maximum **we** will pay for the total amount of damages and **clean up costs** added together, will not exceed the public liability limit of indemnity shown in **your** schedule.

We will not cover any part of a claim for **clean up costs**

- 1** at, in or upon property that is or was, owned by **you**, or in **your** possession, or in **your** custody or under **your** control
- 2** to achieve an improvement or alteration in the condition of the land, or any surface or ground water beyond that
 - a** necessary to meet the standards required by law at the start of remediation
 - b** existing at the time of a **sudden incident** for which a claim is made under this section.

Financial loss liability property owner's cover

We will cover the amount of damages which **you** are legally liable to pay in respect of a claim first made against **you** during the **period of insurance** for **financial loss**, so long as **we** are notified during the same **period of insurance** or within seven days of expiry.

Any circumstances notified in accordance with the **policy** conditions where a claim is made against **you** after expiry of the **period of insurance**, will be considered as a claim first made against **you** during the **period of insurance** when **you** first told **us** of the circumstances.

We will not cover claims caused by or arising from circumstances known to **you**, or of which

Section 2 – Public liability *continued*

you should have been aware, prior to the start of this section of the **policy**.

The Cross liabilities cover does not apply.

The exclusions under the heading – What is not covered, of this section of the **policy** apply to this cover clause in so far as they can, together with the following exclusions.

We will not cover claims caused by or arising from

- 1** **your** liability under a contract or agreement that is greater than the liability **you** would have had in the absence of such agreement in respect of any
 - a** representation, promise, or express warranty or guarantee that property or services meet a tenant specification
 - b** express contractual penalty or acceptance of liquidated damages
 - c** restriction as to **your** rights of recovery from another party
- 2** any diminution in the value of property
- 3** the failure or partial failure of any managing agent to properly fulfil their obligations under any contract with **you**
- 4** breach of duty by **your** directors or officers or trustees
- 5** the holding of personal data or as a result of any loss, misuse or unauthorised disclosure of personal data held by **you** or on **your** behalf
- 6** pollution or contamination of the atmosphere, land or water or any buildings or structure or any environmental damage or harm
- 7** fines, penalties or awards of compensation imposed by a criminal court
- 8** any fraudulent or dishonest act or omission, inducing breach of contract or interfering with trade or **business**
- 9** trading losses or trading liabilities
- 10** financial default or insolvency.

The maximum **we** will pay for all damages and **claims costs** for all claims made against **you** during any one **period of insurance** is £250,000.

We will not pay for the first 10% of any damages or **claims costs** arising from one **event** subject to

- 1** a minimum amount of £2,500
- 2** a maximum amount of £10,000.

Libel and slander cover

We will cover the amount of damages which **you** are legally liable to pay in respect of a claim first made against **you** during the **period of insurance** for

- 1** libel in any written material produced
- 2** slanders expressed

by **you** in the course of the **business**, so long as **we** are notified during the same **period of insurance** or within seven days of expiry.

Any circumstances notified in accordance with the **policy** conditions where a claim is made against **you** after expiry of the **period of insurance**, will be considered as a claim first made against **you** during the **period of insurance** when **you** first told **us** of the circumstances.

We will not cover claims caused by or arising from circumstances known to **you**, or of which **you** should have been aware, prior to the start of this section of the **policy**.

The Defamation and discrimination exclusion in this section does not apply to claims made against **you** under the terms of this cover clause, but **we** will not cover any false statement made maliciously.

The maximum **we** will pay for all damages and claims costs as a result all occurrences during any one **period of insurance** is £250,000.

We will not pay for the first 10% of any damages or **claims costs** or £1,000 (whichever is the greater) arising from one **event**.

Managing Agents cover

At **your** request, **we** will cover under section 2 – Public liability the legal liability of **your** managing agent(s) arising from the performance of duties under the terms of **your** agreement with the managing agent(s) in connection with the **business**.

Section 2 – Public liability *continued*

The cover will apply only to the extent that it would have applied had the claim been made against **you** and **we** will not cover claims

- 1** for loss or **damage** to property let or managed by the managing agent or any property for which the managing agent is responsible
- 2** caused by or arising from any breach of professional duty in relation to the letting or management of property

The amount payable by **us** in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in **your schedule** as a result of this endorsement.

Manslaughter costs cover

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

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

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

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation if, in the opinion of Counsel (appointed by mutual consent), such an appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **manslaughter costs** and costs awarded against **you**, or any person entitled to cover under this section, in

total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

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

Personal liability cover

If no other insurance is in force, at **your** request, the cover provided by this section will apply to the legal liability of

- 1** any director or **employed person** of **yours** whilst
 - a** performing their normal duties in connection with the **business**
 - b** work is being carried out on behalf of a director or officer by an **employed person** with **your** consent
 - c** acting in a personal capacity, during the course of a trip or journey arranged for the purpose of the **business**
- 2** the spouse, civil partner, domestic partner or any children accompanying a director or **employed person** in the course of a **business** trip or journey.

The cover provided by this section will also apply to **your** personal representative, or the personal representative of any other deceased person entitled to cover.

Principals liability cover

At **your** request, **we** will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

Section 2 – Public liability continued

We will not provide cover beyond the requirements of **your** contract with the **principal**.

Property in your care cover

The cover provided by this section will apply to the vehicles or personal effects of **employed persons** or visitors while on **your premises** whether or not they are in **your** possession or custody or under **your** control at the time of the occurrence of loss or damage.

Safety legislation costs cover

We will cover **safety legislation costs** in respect of any **bodily injury** or **property damage** occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** for damages covered by this section.

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

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

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), that such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **safety legislation costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

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

Limit of indemnity

- 1 The public liability limit of indemnity shown in **your** schedule is the maximum amount **we** will pay for all damages arising from one **event**.
- 2 The public liability limit of indemnity is also the maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance** caused by or originating from release or escape of **pollutants**.
- 3 If **you** become legally liable for **bodily injury** or **personal injury** as a result of the growth of biological agents in water systems, water installations or cooling systems the maximum amount **we** will pay for all damages and **claims costs** as a result of all occurrences during any one **period of insurance** is £1,000,000.
- 4 The maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance**, arising directly or indirectly in connection with a **terrorist act** is £2,000,000.
- 5 If **we** cover more than one person, firm, company or organisation, the amount payable by **us** in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in **your** schedule.
- 6 **We** will pay **claim costs** in addition to the limit of indemnity applicable to the claim or claims, except if an action for damages is

Section 2 – Public liability continued

started or brought in the United States of America or Canada.

- 7 If an action for damages is started or brought in the United States of America or Canada, **we** will not pay more than the limit of indemnity shown in **your** schedule, for the total of all damages and **claim costs** arising from the action.
- 8 In respect of any claim or claims, **we** may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment in respect of the claim or claims. If **we** have agreed to pay **claim costs** in addition to the limit of indemnity, **we** will pay the costs incurred before the date of the claim payment.

x What is not covered

Aircraft and watercraft exclusion

We will not cover claims caused by or arising from **you** owning, possessing or using any

- 1 type of aircraft or spacecraft
- 2 watercraft or hovercraft exceeding 8 metres in length that is ordinarily capable of movement by mechanical power and which is under **your** control.

Asbestos exclusion

We will not cover claims caused by or arising from

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

Contractual liability exclusion

We will not cover claims

- 1 where the terms of any contract or agreement made by **you**, prevent **us** from

taking over the full defence or settlement of the claim

- 2 to pay liquidated damages, or any contractual fines or amounts payable under contractual penalty clauses.

Defamation and discrimination exclusion

We will not cover claims caused by or arising from

- 1 libel or slander except to the extent provided under – What is covered
- 2 false statement
- 3 discrimination of any kind.

Deliberate act exclusion

We will not cover claims

- 1 caused by or arising from any deliberate act, error or omission
 - a where the results are intended or expected, or are reasonably foreseeable by **you**
 - b by anyone other than **you**, so far as cover is requested for their own liability
- 2 for **clean up costs** in circumstances where **you** have knowingly
 - a deviated from any regulatory notice, order or protection ruling
 - b omitted to inspect, maintain or perform necessary repairs to plant or machinery for which **you** are responsible.

Electronic data exclusion

We will not cover claims caused by or arising from

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

recognise any given date or to process data or to operate properly due to failure to recognise any given date.

Employee injury exclusion

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

Employment dispute exclusion

We will not cover claims caused by or arising from a dispute with, or proceedings brought by, any person for

- 1 their existing, past or prospective contract of employment with **you**
- 2 a breach of employment related legislation.

Intellectual property exclusion

We will not cover claims caused by or arising from passing off or infringement of trade name, registered design, unregistered design, copyright or patent right.

Overseas establishment exclusion

We will not cover claims caused by or arising from any associated or subsidiary company of **yours**, or any of **your** branch offices, or any representative of **yours** with power of attorney, registered, having premises or resident outside the **policy territories**.

Professional duty exclusion

We will not cover claims caused by or arising from any breach of professional duty in relation to advice, instruction, consultancy, design, formula, specification, inspection, survey, valuation, certification, testing or supervision undertaken or given for a fee.

Punitive damages exclusion

We will not cover claims to pay any award of punitive, exemplary or aggravated damages or additional damages resulting from the multiplication of compensatory damages, by a court of law outside the **policy territories**.

Radioactive contamination exclusion

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

Road Traffic Act exclusion

We will not cover claims caused by or arising from the ownership, possession or use by **you** or on **your** behalf of any motor vehicle, trailer or mobile plant in circumstances where compulsory insurance or security is required by Road Traffic Legislation or where cover is provided (or would be provided but for breach of the terms of cover) by another insurance.

War risk exclusion

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

Section conditions

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

Legionella precautions condition

If **you** own or are responsible for water systems, water installations or cooling systems, a written risk assessment must be undertaken and controls put in place to prevent the growth of biological agents that may cause disease or illness.

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

Section 3 – Employers' liability

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

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

Contractual liability

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

Employed person

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

Manslaughter costs

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

Offshore

On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.

Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

Safety legislation costs

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

Terrorist act

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

✓ What is covered

We will cover the amount of damages which **you** are legally liable to pay in respect of **bodily injury** to any **employed person** resident in the **policy territories**, caused during the **period of insurance** and arising out of and in the course of their employment by **you** in connection with the **business**.

Claim costs cover

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

Compensation for court attendance cover

We will compensate **you** at the rate of £500 per day, for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Manslaughter costs cover

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

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

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

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), that such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **manslaughter costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of implementing any remedial order or publicity order

Section 3 – Employers' liability continued

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

Overseas employees cover

If **bodily injury** is caused during the **period of insurance**, to any person under a contract of service or apprenticeship arising out of and in the course of their employment by **you** in connection with the **business** and who is resident outside the **policy territories**, **we** will cover the amount of damages which **you** are legally liable to pay by a court of law having jurisdiction within the **policy territories**.

We will not pay

- 1 for any action or recovery brought or commenced
 - a in a court of law outside the **policy territories**
 - b in connection with any workmen's compensation or other social insurance, or arising from **your** failure to meet legal obligations or to pay adequate contributions for that insurance
- 2 where an insurance policy covering legal liability for **bodily injury** caused to **employed persons** is arranged outside the **policy territories**.

Personal liability cover

If no other insurance is in force, at **your** request, the cover provided by this section will apply to the legal liability of

- 1 any director or **employed person** of **yours** whilst
 - a performing their normal duties in connection with the **business**

- b work is being carried out on behalf of a director or officer by an **employed person** with **your** consent
- c acting in a personal capacity, during the course of a trip or journey arranged for the purpose of the **business**

- 2 the spouse, civil partner, domestic partner or any children accompanying a director or **employed person** in the course of a **business** trip or journey.

The cover provided by this section will also apply to **your** personal representative or the personal representative of any other deceased person entitled to cover.

Principals liability cover

At **your** request, **we** will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

We will not provide cover beyond the requirements of **your** contract with the **principal**.

Safety legislation defence cover

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

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

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

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), that such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

Section 3 – Employers' liability continued

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **safety legislation costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

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

Unsatisfied court judgements cover

We will at **your** request pay an **employed person** the amount awarded to that person by a court of law for **bodily injury**, against any company, partnership or individual conducting a business within the **policy territories**, if such award remains unpaid six months after the date of the judgement.

We will only provide cover if

- 1 there is no outstanding appeal
- 2 the **bodily injury** was sustained during the **period of insurance** by the **employed person** while working in connection with the **business**
- 3 the judgement was obtained in a court within the **policy territories**
- 4 the **employed person** or their personal representative assigns the amount awarded under the judgement to **us**.

Limit of indemnity

- 1 The employers' liability limit of indemnity shown in **your** schedule is the maximum **we** will pay for the total of all damages and **claims costs** and will apply to any one claim or series of claims by one or more of the **employed persons** arising from one occurrence.
- 2 The limit of indemnity in respect of a **terrorist act** is £5,000,000 and will apply exclusively to any one claim or series of claims by one or more of the **employed persons** arising directly or indirectly in connection with a **terrorist act**.
- 3 In respect of any claim or claims, **we** may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment in respect of the claim or claims.

X What is not covered

Offshore exclusion

We will not cover claims for **bodily injury** to any **employed person** while **offshore**.

Radioactive contamination exclusion

We will not cover claims for

- 1 **contractual liability**
- 2 which **your principal** has a legal liability caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

Road Traffic Act exclusion

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

Section conditions

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

Right of recovery condition

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

Section 4 – Terrorism

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Consequential loss

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

Damage

Accidental loss or destruction or damage.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. 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.

Hacking

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

Phishing

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

Terrorism

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

Virus or similar mechanism

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 meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

✓ What is covered

We will extend the cover provided under Section 1 Buildings where **your** schedule shows these as covered, to include **damage** caused by **terrorism**.

Terrorism supplementary covers

If **your** schedule shows that this section is covered for **your** other **premises** then this section will also extend to cover the Supplementary covers. If cover under this section is restricted to **buildings** only for **your** other **premises** then cover under the Supplementary covers will also be restricted to **buildings** only.

✗ What is not covered

Electronic risks exclusion

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

- 1 the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or

- 2 any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

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

Excluded property exclusion

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

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

Other insurances exclusion

We will not cover **you** for any property which is insured by or would but for the existence of this **policy**, be insured by any form of transit, aviation or marine policy.

War risk exclusion

We will not cover any claims caused by or happening through riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Section conditions

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

Limit of liability condition

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

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

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

Proof of cover condition

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

Section 5 – Directors’ and officers’ liability section

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Your schedule will show if this section is covered.

Meaning of defined terms

You can find the meanings for words on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person’s** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action or employee dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a **wrongful act**
- 3 alleging an **employment practice wrongful act**.

Crisis public relations consultants

Chelgate Limited, No 1 Tanner Street, London SE1 3LE.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim** and/or **investigation** to prevent, limit or reduce the actual or potential damage to **your** or any **insured person’s** reputation from negative publicity or media attention.

Defence costs

Costs agreed with **us**, in writing, to:

- 1** investigate or defend any **claim**
- 2** fund an appeal against a ruling or judgement (including payment of an appeal bond).

Deprivation of assets expenses

Costs and expenses of any **insured person** paid directly to the provider of the services listed below as a direct result of any interim or interlocutory order confiscating or suspending the rights of ownership over personal assets or real property of any **insured person** during the **period of insurance**

- 1** schooling;
- 2** housing;
- 3** utilities; or
- 4** personal insurances.

Such costs and expenses shall only be paid where a personal allowance has been directed by a Court to meet such payments and that personal allowance has been exhausted.

Employed person

Anyone:

- 1** under a contract of service or apprenticeship with **you** or a worker as defined in Section 230 of The Employment Rights Act 1996
- 2** who is
 - a** employed by **you** or for **you** on a labour only basis
 - b** hired to **you** or borrowed by **you** from another employer
 - c** a voluntary helper or someone taking part in a work experience or training scheme

and under **your** control or supervision.

Employment practice claim

- 1** Any **claim** by any **employed person** for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, discharge or termination of employment

- b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.
- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment practice wrongful act

- 1** Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.

Employment practice wrongful act does not include any internal disciplinary matter, grievance or appeal.

- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1** payments made or due (including options to purchase, acquire or sell) under a share option

Section 5 – Directors’ and officers’ liability section *continued*

- 2 pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your** schedule for which **you** are responsible. The excess applies to **loss, crisis public relation costs, defence costs** and **investigation costs**, however, it will not apply to any **claim** successfully defended.

The excess will only be charged at the end of each **claim** and/or **investigation**.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a director trustee, partner, member or officer of **yours**.
- 2 Any person acting in the capacity as a director of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any **employed person** of **yours**.
- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an insured person described in **1** to **5** above, only because of their relationship, following a **claim** against the insured person.
- 7 The estates, heirs or legal representatives of any insured person above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the insured person.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination,

official enquiry or enquiry into **your** or an **insured person’s** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person’s** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

Limit of liability

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

Loss

Costs and expenses of any claimant and monetary regulatory penalties which an **insured person** becomes legally liable to pay and incurred with **our** prior written agreement, to investigate, defend or settle a **claim** against any **insured person** and this will include

- 1 **defence costs** and **investigation costs**
- 2 awards of damages (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest on a judgement or award covered by this section
- 4 settlements

but this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or **employment related benefits**. Civil fines are covered only where they are insurable under United Kingdom law.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1** that is a charity or association, or;
- 2** in which **you** hold any issued share capital

but this does not include

- a** any company registered in the United States of America
- b** any listed company
- c** any financial services company.

Policy territories

Worldwide.

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency or equivalent body in any

other territory to investigate and clean up any **pollution** incident.

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing **you** following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**;

- 1** own more than 50% of the share capital
- 2** have a majority of the voting rights
- 3** have the right to appoint or remove a majority of the company’s board of directors
- 4** control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

Wrongful act

Any actual or alleged act, error or omission carried out, proposed or attempted by an **insured person** during the performance of their duties but only in their role as **your** director, officer or **employed person** including:

- 1** breach of any duty, including fiduciary or statutory duty
- 2** breach of trust

Section 5 – Directors’ and officers’ liability section *continued*

- 3 negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4 defamation
- 5 wrongful trading as defined under United Kingdom law
- 6 breach of warranty or authority
- 7 any other act, error or omission attempted or allegedly carried out or attempted by an **insured person** only because of their position as a director, officer or **employed person of yours**.

You/your

In addition to the **policy** definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary**:
 - a is not registered in the United States of America; or
 - b does not trade any of its securities on any United States of America exchange;

but only for a **claim** against an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition.

- 2 Any pension or employee benefit scheme or trust fund of yours.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as being made when **we** receive written notice of the **claim**. **Investigation costs** will be treated as being made when attendance of an **insured person** is notified as being required.

✓ What is covered

Additional limit for non-indemnifiable loss cover

Where the **limit of liability** has been exhausted, the **limit of liability** shall be

increased by £100,000 per **claim** and/or **investigation** for each **insured person** provided that such limit shall be excess of:

- 1 any other available insurance
- 2 any other available indemnification.

Bail costs cover

We will pay on behalf of any **insured person** **bail costs** caused by a **claim** for a **wrongful act**.

Circumstance investigation costs cover

We will pay the costs of **rradar** legal in the investigation of any **circumstance** reported to **us** during the **period of insurance** including the steps that might be appropriate to avert or reduce the potential of a **claim**.

The most **we** will pay for all **circumstance investigation claims** in any one **period of insurance** is £25,000.

Claims against an insured person cover

We will pay the **loss** incurred by any **insured person** caused by a **claim** for a **wrongful act**.

Company reimbursement cover

We will pay for the **loss** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **claim** for a **wrongful act**.

Compensation for court attendance cover

We will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

Crisis public relations costs cover

We will pay **crisis public relations costs** for any **insured person** caused by a **claim** for a **wrongful act**.

Deprivation of assets cover

We will pay the **loss** of any **insured person** for **deprivation of asset expenses**.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all **deprivation of asset claims** in any one **period of insurance**.

Employment practice claims cover

We will pay for the **loss** caused by an **employment practice claim** during the **period of insurance** brought by a current, former or potential **employed person**. This cover does not apply if the **insured person** is covered under the Employment practices liability section of this **policy**.

Extended claims notification period cover

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

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1 **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2 the **policy** is not replaced by any other policy; and
- 3 at the end of the **period of insurance**, **you** have not merged with another company, nor has any party acquired 50% or more of **your** issued share capital.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover

Where **you** have taken this cover, the Claims notification condition on page 9 is deleted and replaced with the following:

You must:

- 1 as soon as possible within the extended notification period
 - a give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b give **us** all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

We will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

Extradition proceedings cover

We will pay, for any **insured person**, the **loss** caused by any **extradition proceedings** against any **insured person** during the **period of insurance** caused by a **claim** for any **wrongful act**.

Investigation costs cover

We will pay the **investigation costs** caused by an **investigation** first notified as being required during the **period of insurance**.

Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover to the same level and terms as this **policy** for the new company for a period of 30 days from the buy-out date for any **wrongful act** carried out by any **insured person** within this 30 day period.

Manslaughter claims cover

We will pay for the **defence costs** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **manslaughter claim** against an **insured person** for a **wrongful act**.

Outside company cover

We will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role as a director, trustee or officer of an **outside company**.

Provided that the **insured person** acts in that role at **your** written request and the **claim** does not arise from a **wrongful act** carried out after the **insured person** stopped acting in this role.

We will only pay after any cover provided by the **outside company** to its directors or officers and any other insurance available to its directors and officers has been used.

Personal charity/Not for profit association cover

We will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role in a personal capacity as a director or officer of a charity or any not for profit organisation.

Pension/employee benefit schemes cover

We will pay for the **loss** caused by a **claim** for a **wrongful act** in connection with an **insured person's** operation or administration of any of **your** pension schemes (other than a defined benefit scheme), employee benefit schemes or trust funds.

Pollution claims cover

We will pay for the **loss** arising from **pollution** caused by a **claim** for any **wrongful act**.

Retired insured person cover

In the event that this **policy** is not renewed or replaced with a similar policy, cover will continue for any **insured person** who voluntarily stops being an **insured person**

before the date of non-renewal for reasons other than:

- 1 disqualification from holding such a position; or
- 2 a takeover or merger.

Cover will continue for an unlimited period from the date of non renewal (the ‘run-off period’), provided that:

- a cover will only apply to **claims** caused by any **wrongful act** carried out or alleged before the date of retirement of the **insured person**
- b the run-off period will run at the same time as any extended notification period
- c no similar insurance is in place elsewhere.

Safety legislation claims cover

We will pay for the **loss** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **safety legislation claim** (or similar legislation in any other jurisdiction) against an **insured person** for a **wrongful act**.

Tax cover

If **you** become insolvent, this section will extend to pay for any **claim** against an **insured person** alleging a **wrongful act** relating to **your** unpaid tax liability within the **policy territories**.

Optional section extension of cover

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

Takeovers and mergers extension of cover

If during the **period of insurance you**:

- 1 merge with another company, or
- 2 any party acquires more than 50% of **your** issued share capital,

you may on payment of an additional premium, of 200% of the annual **policy** premium, request that this section continue in force for a period of 72 months from the expiry date of the current **period of insurance**.

This extension only applies to **claims** caused by any **wrongful act** carried out or alleged before the date of the takeover or merger.

X What is not covered

Bodily injury or property damage exclusion

We will not cover any **claim** or **loss**:

- 1 for psychological or emotional distress other than an **employment practice claim**
- 2 for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**
- 3 for the loss, damage or destruction of any tangible property including loss of use of that property.

Breach of professional duty exclusion

We will not cover any **claim**, **loss** or **investigation** caused by a breach of or failure to provide professional duties or services.

This exclusion will not apply to a **claim** for any actual or alleged failure to supervise the performance of any professional services.

Defined benefit pension schemes exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 an **insured person’s** operation or administration of any defined benefit pension scheme
- 2 an **insured person’s** breach of any legislation or regulation relating to any defined benefit pension scheme.

Deliberate or dishonest acts exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person**
- 2 an act by any **insured person** intended to obtain or which does obtain a personal

profit or advantage which was not legally theirs

- 3 an act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

This exclusion will only apply after a court ruling or an admission by an **insured person** that such an act did take place.

Excess exclusion

We will not pay the **excess** detailed in **your** schedule (under each section of cover). The **excess** shall only be payable at the conclusion of any **claim** and/or **investigation**.

Prior claims, investigations and circumstances exclusion

We will not cover any **loss** or **investigation** caused by any **claim**, **investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

Prior litigation exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person**, **you** or an **outside company** started before the date of **your** first purchase of Directors’ and Officers’ Liability insurance.

Related party claims in the United States of America exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any **claim** brought by **you**, an **outside company** or an **insured person** within or subject to the laws of the United States of America.

This exclusion will not apply to:

- 1 **defence costs**
- 2 any shareholder derivative proceedings in **your** name without **your** or any **insured person’s** solicitation, assistance or participation

- 3 any **claim** brought by **your** liquidator, receiver or administrative receiver or similar body
- 4 any **employment practices claim**
- 5 any **claim** made by a previously **insured person** of **yours**
- 6 any **claim** seeking a contribution or indemnity if that **claim** would be covered by this section if made against an **insured person**.

Share offerings exclusion

We will not cover any **loss** or **investigation** caused by any **claim** for a **wrongful act** relating to any actual public offering of **your** share capital unless:

- 1 **we** have given **our** prior written agreement; and
- 2 **you** have paid any additional premium and accepted any amendments **we** may need to make to the terms and conditions of this **policy**.

Specific United States of America legislation exclusion

We will not cover any **claim**, **loss** or **investigation** caused by the following legislation in the United States of America:

- 1 any breach of the Racketeer Influenced and Corrupt Organizations Act 18 USC Sections 1961 et seq., any amendments to this Act or any rules or regulations made under it
- 2 any breach of the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, the rules or regulations of the Securities Exchange Commission under either or both Acts, similar securities laws or regulations of any state, or any laws of any state relating to any transaction caused by, involving or relating to the sale of securities
- 3 any breach of the Employment Retirement Income Security Act of 1974 as amended, or any rules or regulations made under it, or similar provisions of any federal, state or local law.

Takeovers and mergers exclusion

We will not cover any **loss** or **investigation** caused by any **claim** for a **wrongful act** after **you**:

- 1 merge or consolidate with another company; or
- 2 any party acquires more than 50% of **your** issued share capital.

Section conditions

The Policy conditions all apply equally to each **insured person** and to **you** other than:

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under the management liability sections of **your policy**.

If a **claim** is made which is not completely covered by any management liability section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** that is covered and **loss** not covered by this **policy**.

Claims notification condition

You must:

- 1 as soon as possible within the **period of insurance** or at the latest within 45 days after it expires:
 - a give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section

- c** unless otherwise agreed by **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1** **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing and any further information **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a **claim**
 - c** details of any other relevant insurances.

- 3** **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:

Partner – £185 per hour
Associate – £150 per hour
Solicitor – £115 per hour
Paralegal – £90 per hour.

Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring **defence costs**, **we** will agree to this providing **our** agreement is obtained within 14 days.

- 4** **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5** **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Fair presentation of risk condition

The **policy** condition, Fair presentation of risk on page 10 will only apply under this section to an **insured person** who had knowledge of a misstatement or omission before the **period of insurance** that could affect the terms and/or conditions of this **policy**.

In these circumstances **we** waive **our** right to cancel the **policy** on the grounds of non-disclosure, misrepresentation or fraud.

Notification of potential claims condition

You may give **us** notice of any **circumstance** which might reasonably be expected to lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Where **we** accept the **circumstance** any future **claim** arising from this **circumstance** shall be deemed to have been made in the **period of insurance** in which the **circumstance** was first notified.

Severability condition

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person**.

The knowledge of or any statement made by any **insured person** will not be applied to any other **insured person** for the purposes of deciding whether cover is available for any **claim**.

Section 6 – Employment practices liability section

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action or employee dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a **wrongful act**
- 3 alleging an **employment practice wrongful act**.

Crisis public relations consultants

Chelgate Limited, No 1 Tanner Street,
London SE1 3LE.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim** and/or **investigation** to prevent, limit or reduce the actual or potential damage to **your** or any **insured person's** reputation from negative publicity or media attention.

Defence costs

Costs agreed with **us**, in writing, to:

- 1** investigate or defend any **claim**
- 2** fund an appeal against a ruling or judgement (including payment of an appeal bond).

Employment practice claim

- 1** Any **claim** by any **employed person** for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, discharge or termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.
- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment practice wrongful act

- 1** Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.

Employment practice wrongful act does not include any internal disciplinary matter, grievance or appeal.

- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1** payments made or due (including options to purchase, acquire or sell) under a share option
- 2** pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your policy** schedule for which **you** are responsible. The excess applies to **loss** (as defined in each section of the **policy**), **crisis public relation costs**, **defence costs** and **investigation costs**, however, it will not apply to any **claim** successfully defended.

The excess will only be charged at the end of each **claim** and/or **investigation**.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Insured person

- 1** Any person who was, is, or during the **period of insurance** becomes a director trustee, partner, member or officer of **yours**.
- 2** Any person acting in the capacity as a director of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3** Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4** Any **employed person** of **yours**.
- 5** Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.

Section 6 – Employment practices liability section *continued*

- 6** The lawful husband, wife, civil or unmarried partner of an insured person described in **1** to **5** above, only because of their relationship, following a **claim** against the insured person.
- 7** The estates, heirs or legal representatives of any insured person above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the insured person.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

Limit of liability

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

Loss

Costs and expenses of any claimant and monetary regulatory penalties which **you** or an **insured person** becomes legally liable to pay

and incurred with **our** prior written consent, to investigate, defend or settle a **claim** against **you** or any **insured person** and this will include:

- 1** **defence costs** and **investigation costs**
- 2** awards of damages (including punitive and exemplary damages where legally allowed)
- 3** pre and post judgement interest on a judgement or award covered by this section
- 4** settlements.

But this will not include any criminal fines or penalties, salary or **employment related benefits**.

Civil fines are covered only where they are insurable under United Kingdom law.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1** that is a charity or association, or;
- 2** in which **you** hold any issued share capital but this does not include
 - a** any company registered in the United States of America
 - b** any listed company
 - c** any financial services company.

Policy territories

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

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency or equivalent body in any other territory to investigate and clean up any **pollution** incident.

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing **you** following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**;

- 1 own more than 50% of the share capital
- 2 have a majority of the voting rights
- 3 have the right to appoint or remove a majority of the company's board of directors
- 4 control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

You/your

In addition to the **policy** definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary** is not registered outside of the United Kingdom;

but only for a **claim** against you or an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition.

- 2 Any pension or employee benefit scheme or trust fund of yours.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as being made when **we** receive written notice of the **claim**. **Investigation costs** will be treated as being made when **your** or an **insured person's** attendance is notified as being required.

✓ What is covered

Claims by employees cover

We will pay for **your** or any **insured person's loss** caused by a **claim** by an **employed person** alleging an **employment practice wrongful act**.

The **excess** will not apply to any **claim** brought only against an **insured person**.

Claims by others cover

We will pay for **your** or any **insured person's loss** caused by a **claim** by anyone other than an **employed person** alleging an **employment practice wrongful act**.

Compensation for court attendance cover

We will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

Extended claims notification period cover

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

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1 **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2 the **policy** is not replaced by any other policy; and
- 3 at the end of the **period of insurance**, **you** have not merged with another company, nor has any party acquired 50% or more of **your** issued share capital.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover

Where **you** have taken this cover, the Claims notification condition on page 9 is deleted and replaced with the following:

You must:

- 1 as soon as possible within the extended notification period
 - a give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b give **us** all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section

- c notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

We will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

Investigation costs cover

We will pay for **your** or any **insured person's investigation costs** caused by an **investigation** first notified as being required during the **period of insurance**.

The **excess** will not apply to any **investigation** that only involves an **insured person**.

Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover for the new company at the same level and terms of this **policy** for a period of 30 days from the buy-out date for any **employment practice wrongful act** carried out by any **insured person** within this 30 day period.

Outside company cover

We will pay for the **loss** incurred by any **insured person** for any **employment practice wrongful act** carried out by an **insured person** in their role as an **employed person** of an **outside company**.

Provided that the **insured person** acts in that role at **your** written request and the **claim** does not arise from a **wrongful act** carried out after the **insured person** stopped acting in this role.

We will only pay after any cover provided by the **outside company** to its directors or officers and any other insurance available to its directors and officers has been used.

X What is not covered

Bodily injury or property damage exclusion

We will not cover any **claim** or **loss**:

- 1 for psychological or emotional distress other than an **employment practice claim**
- 2 for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**
- 3 for the loss, damage or destruction of any tangible property including loss of use of that property.

Breach of professional duty exclusion

We will not cover any **claim**, **loss** or **investigation** caused by a breach of or failure to provide professional duties or services.

This exclusion will not apply to a **claim** for any actual or alleged failure to supervise the performance of any professional services.

Claims outside of the United Kingdom exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any **employment practice claim** outside of the United Kingdom.

Collective bargaining agreements exclusion

We will not cover any **claim** caused by **your** failure to act in accordance with any collective bargaining agreement other than:

- 1 allegations of **retaliatory treatment**
- 2 **defence costs** and/or **investigation costs**.

Contractual payments exclusion

We will not cover any **claim** or any aspect of a settlement caused by **your** failure to pay any amount **you** must pay under contract to an **employed person**.

This includes but is not limited to:

- 1 payments for notice periods (contractual or statutory); or

- 2 any breach of any minimum wage requirements.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

Defined benefit pension schemes exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 an **insured person's** operation or administration of any defined benefit pension scheme
- 2 an **insured person's** breach of any legislation or regulation relating to any defined benefit pension scheme.

Deliberate and dishonest acts exclusion

We will not cover any deliberate breach of employment regulation, deliberately not following the advice provided by the employment helpline or other solicitor/human resources advisor, or any other dishonest or fraudulent act carried out by **you** or any of **your** senior management or human resources department.

Excess exclusion

We will not pay the **excess** shown in **your** schedule (under each section of cover). The **excess** shall only be payable at the conclusion of any **claim** and/or **investigation**.

Legal requirements exclusion

We will not cover any **claim**, **loss** or **investigation** caused by **your** legal duties in relation to **your**:

- 1 health and safety requirements
- 2 payment of unemployment benefits
- 3 payment of social security benefits
- 4 payment of retirement benefits
- 5 payment of disability benefits.

This exclusion does not apply to **defence costs** for any **claim** caused by **retaliatory treatment**.

Non-compensatory payments exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 the failure to pay for anyone else's liability which **you** must legally take on under any contract or agreement. This does not apply to any **claim** that would have happened without such contract or agreement
- 2 any non-financial order
- 3 any amount for the costs of agreeing or refusing to agree with a court or other order for the reinstatement of an **employed person** other than basic salary from the original date of dismissal to the date of court or other order.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

Pension rights exclusion

We will not cover any **claim** caused by:

- 1 any **employed person's** loss of any right or benefit under any pension scheme, private health insurance or other employee benefit scheme
- 2 the operation or administration of any pension or employee benefit scheme or trust fund
- 3 **your** breach of any legislation or regulation related to these activities.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

Prior claims, investigations and circumstances exclusion

We will not cover any **loss** or **investigation** caused by any **claim**, **investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

Prior litigation exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person**, **you** or an **outside company** started before the date of **your** first purchase of Directors' and Officers' Liability insurance.

Share offerings exclusion

We will not cover any **loss** or **investigation** caused by any **claim** for a **wrongful act** relating to any actual public offering of **your** share capital unless:

- 1 **we** have given **our** prior written agreement; and
- 2 **you** have paid any additional premium and accepted any amendments **we** may need to make to the terms and conditions of this **policy**.

Takeovers and mergers exclusion

We will not cover any **loss** or **investigation** caused by any **claim** for a **wrongful act** after **you**:

- 1 merge or consolidate with another company; or
- 2 any party acquires more than 50% of **your** issued share capital.

Tax exclusion

We will not cover any **claim** caused by **your** failure to pay taxes. This exclusion does not apply to **defence costs** and/or **investigation costs**.

Trade Union membership exclusion

We will not cover any **claim** caused by membership or non-membership of any trade union or similar organisation other than:

- 1 allegations of **retaliatory treatment**
- 2 **defence costs** and/or **investigation costs**.

Section conditions

The **policy** conditions all apply equally to each **insured person** and to **you** other than:

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under the management liability sections of **your policy**.

If a **claim** is made which is not completely covered by any management liability section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** that is covered and **loss** not covered by this **policy**.

Claims notification condition

You must:

- 1** as soon as possible within the **period of insurance** or at the latest within 45 days after it expires:
 - a** give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** unless otherwise agreed by **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1** **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing and any further information **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a **claim**
 - c** details of any other relevant insurances.

- 3** **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:

Partner – £185 per hour
Associate – £150 per hour
Solicitor – £115 per hour
Paralegal – £90 per hour.

Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring **defence costs**, **we** will agree to this providing **our** agreement is obtained within 14 days.

- 4** **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5** **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.
- 6** Where it is assessed by **us** and **your** legal representation that the **claim** has greater than 60% prospect of a successful defence, **you** shall have the right to decide whether to defend the **claim** or agree a settlement.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Fair presentation of risk condition

The **policy** condition, Fair presentation of risk shown on page 10 will only apply under this section to an **insured person** who had knowledge of a misstatement or omission before the **period of insurance** that could affect the terms and/or conditions of this **policy**.

Notification of potential claims condition

You may give **us** notice of any **circumstance** which might reasonably be expected to lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Where **we** accept the **circumstance** any future **claim** arising from this **circumstance** shall be deemed to have been made in the **period of insurance** in which the **circumstance** was first notified.

Severability condition

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person**.

The knowledge of or any statement made by any **insured person** will not be applied to any other **insured person** for the purposes of deciding whether cover is available for any **claim**.

With respect to any **claim** made against **you**. Only statements made and information possessed by any Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of the Company or any other person authorised by the Company to make statements or complete the proposal shall be attributed to **you** in determining whether cover applies under **your policy**.

Section 7 – Company legal liability section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action or employee dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a **wrongful act**
- 3 alleging an **employment practice wrongful act**.

Crisis public relations consultants

Chelgate Limited, No 1 Tanner Street, London SE1 3LE.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim** and/or **investigation** to prevent, limit or reduce the actual or potential damage to **your** or any **insured person's** reputation from negative publicity or media attention.

Cyber liability claim

Loss which **you** are legally liable for caused by **your** electronic systems.

Defence costs

Costs agreed with **us**, in writing, to:

- 1** investigate or defend any **claim**
- 2** fund an appeal against a ruling or judgement (including payment of an appeal bond).

Employment practice claim

- 1** Any **claim** by any **employed person** for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, discharge or termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.
- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment practice wrongful act

- 1** Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation

- d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies

e **retaliatory treatment**

- f** defamation or invasion of privacy.

Employment practice wrongful act does not include any internal disciplinary matter, grievance or appeal.

- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1** payments made or due (including options to purchase, acquire or sell) under a share option
- 2** pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your** schedule for which **you** are responsible. The excess applies to **loss, crisis public relation costs, defence costs** and **investigation costs**, however, it will not apply to any **claim** successfully defended.

The excess will only be charged at the end of each **claim** and/or **investigation**.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Identity fraud

Any agreement entered into by anyone other than **you**, pretending to be **you**, for the purpose of committing a criminal or malicious act.

Infringement of copyright

Infringement of copyright, patent, trademark or any other intellectual property rights.

Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a director trustee, partner, member or officer of **yours**.
- 2 Any natural person acting in the capacity as a director of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any **employed person** of **yours**.
- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an insured person described in **1** to **5** above, only because of their relationship, following a **claim** against the insured person.
- 7 The estates, heirs or legal representatives of any insured person above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the insured person.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

Limit of liability

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

Loss

Costs and expenses of any claimant and monetary regulatory penalties which **you** become legally liable to pay and incurred with **our** prior written agreement to investigate, defend or settle a **claim** against **you** and this will include:

- 1 **defence costs** and **investigation costs**
- 2 awards of damages (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest on a judgement or award covered by this section
- 4 settlements.

But this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or **employment related benefits**.

Civil fines are covered only where they are insurable under United Kingdom law.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1 that is a charity or association, or;
- 2 in which **you** hold any issued share capital but this does not include
 - a any company registered in the United States of America
 - b any listed company
 - c any financial services company.

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency or equivalent body in any other territory to investigate and clean up any **pollution** incident.

Products

Products that **you** supply, provide or deliver including containers, packaging, labelling, instructions, advice and services in connection with **your** product.

Policy territories

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

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing **you** following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**;

- 1 own more than 50% of the share capital
- 2 have a majority of the voting rights
- 3 have the right to appoint or remove a majority of the company's board of directors
- 4 control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

Tax claim

A **claim** arising as a result of a review of **your** affairs by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Wrongful act

Any actual or alleged act, error or omission carried out or attempted by **you** including but not limited to:

- 1 breach of any duty, including fiduciary or statutory duty
- 2 breach of trust
- 3 negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4 breach of warranty or authority.

You/your

In addition to the **policy** definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** as long as the newly created or acquired

subsidiary is not registered outside of the United Kingdom;

But only for a **claim** against you caused by a **wrongful act or investigation** carried out after the date of creation or acquisition.

- 2 Any pension or employee benefit scheme or trust fund of yours.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as being made when **we** receive written notice of the **claim**.

Investigation costs will be treated as made when **your** or an **insured person's** attendance is notified as being required.

✓ What is covered

Breach of Data Protection cover

We will pay for **your loss** for a breach of Data Protection law.

Circumstance investigation costs

We will pay the costs of **radar** legal in the investigation of any **circumstance** reported to **us** during the **period of insurance** including the steps that might be appropriate to avert or reduce the potential of a **claim**.

The most **we** will pay for all **circumstance investigation claims** in any one **period of insurance** is £25,000.

Compensation for court attendance cover

We will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

Contractual liability cover

We will pay **your defence costs** caused by any contractual liability **claim**. The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all contractual liability claims in any one **period of insurance**.

Crisis public relations costs

We will pay **crisis public relations costs** caused by any **claim** or **investigation** made against **you** for a **wrongful act**.

Cyber liability cover

We will pay for **your loss** resulting from any **cyber liability**.

Data protection breach cover

We will pay the costs of **radar** legal in contacting **your** customers and suppliers as legally required following a data protection breach.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all data protection breach **claims** in any one **period of insurance**.

Employee dishonesty cover

We will pay for **your** direct financial loss caused by the dishonesty of an **employed person** discovered during the **period of insurance**.

Provided that there was a clear intention to cause **you** financial loss or damage and for that person to obtain a financial gain other than salary, bonus or commission.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all employee dishonesty claims in any one **period of insurance**.

Extended claims notification period cover

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

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1 **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and

- 2 the **policy** is not replaced by any other policy; and
- 3 at the end of the **period of insurance**, you have not merged with another company, nor has any party acquired 50% or more of **your** issued share capital.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover.

Where **you** have taken this cover, the **policy** Claims notification condition on page 9 is deleted and replaced with the following:

You must:

- 1 as soon as possible within the extended notification period
 - a give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b give **us** all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**. **We** will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

Identity fraud cover

We will pay for **your loss** resulting from **identity fraud**.

Infringement of copyright cover

We will pay **your defence costs** caused by any **infringement of copyright claim**. The most **we** will pay under this cover is £50,000 for any one **claim**. This is also the most **we** will pay for all **infringement of copyright claims** in any one **period of insurance**.

Investigation costs cover

Pre-investigation cover is available via the **radar** policy helpline on page 5.

We will pay for **your investigation costs** caused by an **investigation** against **you** which **you** first notified as being required during the **period of insurance**.

Loss of documents cover

We will pay the costs of replacing or restoring any document, data or information lost, damaged or destroyed whilst in **your** possession during the **period of insurance**.

The most **we** will pay under this cover is £100,000 for any one **loss** of documents event. This is also the most **we** will pay for all **loss** of documents events in any one **period of insurance**.

Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover for the new company at the same level and terms as this **policy** for a period of 30 days from the buy-out date for any **wrongful act** carried out by any **insured person** within this 30 day period.

Manslaughter claims cover

We will pay for **your defence costs** caused by a **manslaughter claim** made against **you** for a **wrongful act**.

Negative social media crisis public relations costs cover

We will pay **crisis public relations costs** necessary to mitigate the adverse effect or potentially adverse effect to **your** reputation following any sustained negative publicity in relation to **your** business activities or practices

that is posted on any internet-based social media platform or website.

The most **we** will pay for all negative social media public relations costs **claims** in any one **period of insurance** is £25,000.

Other wrongful acts cover

We will pay for **your loss** caused by any **claim** made against **you** for a **wrongful act**.

Pension/employee benefit schemes cover

We will pay for **your loss** caused by any **claim** made against **you** for a **wrongful act** in connection with **your** operation or administration of any pension or employee benefit scheme or trust fund.

Pollution claims cover

We will pay for **your defence costs** caused by any **claim** made against **you** for a **wrongful act** in connection with **pollution**.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all **claims**, made against **you** for a **wrongful act** in connection with **pollution**, in any one **period of insurance**.

Pollution claims clean up costs cover

We will pay **your loss** for **pollution clean up costs** for any **claim** and/ or **investigation** made against **you**. The most **we** will pay under this cover is £25,000 for any one **claim**. This is also the most **we** will pay for all **loss** of documents **claims** in any one **period of insurance**.

Regulatory mitigation cover

We will pay **your regulatory mitigation costs** for any regulatory self reporting.

Safety legislation claims cover

We will pay for **your defence costs** caused by a **safety legislation claim** caused by any **claim** made against **you** for a **wrongful act**.

Tax cover

We will pay for **your defence costs** caused by a **tax claim** for breach of any tax law, act or regulations.

Third party electronic funds transfer cover

We will pay for **your** direct financial loss caused by the dishonesty of any third party accessing **your** computer systems and transferring funds with the intention of obtaining an improper financial gain.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all third party electronic fund transfer claims in any one **period of insurance**.

Section extensions

Additional definitions applicable to Legal pursuit extension only

These definitions only apply to this extension. If a word or phrase has a defined meaning it will be highlighted in bold black print and will have the same meaning whenever it is used in the Legal pursuit extension.

Policy territories

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

Aggregate limit of liability

The most **we** will pay in total in any one **period of insurance** in respect of **claims** made during the **period of insurance**.

Claim(s)

The cost of **rradar** advice and support in pursuing **your** legal rights under the terms and conditions of this Legal pursuit extension.

rradar

rradar Limited,
13 Waterside Business Park,
Livingstone Road, Hessle
HU13 OEG
Company registration number is
07738271

Legal pursuit extension

This extension attaches to and forms part of **your policy** and is subject to the policy conditions, exclusions and defined terms:

The cover

Aggregate limit of liability: £25,000 unless otherwise stated **excess**: £1,000 each and every **claim**.

We will provide cover up to the aggregate limit of liability any one **period of insurance** and subject to the **excess** stated provided that:

- 1 the date of occurrence happens during the **period of insurance** and occurs within the **policy territories** in connection to **your business**;
- 2 any legal proceedings will be dealt with by a court, or other body which **we agree** to, in the **policy territories**; and
- 3 all cover provided by this Legal pursuit extension relates to costs solely incurred by **rradar**.

Contract disputes and debt recovery cover

rradar will negotiate for **your** legal rights in a contractual dispute entered into by **you** or on **your** behalf for the purchase, hire, sale or provision of goods, services or the lease, licence or tenancy of land or buildings.

Provided that:

- 1 the amount in dispute exceeds £500
- 2 if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the **claim** exceed £500
- 3 if the dispute relates to money owed to **you**, a **claim** is notified to **rradar** within 90 days of the money becoming due and payable.

Additional exclusion applicable to Legal pursuit extension

We will not pay for:

- 1 any **excess** shown

- 2 any **claim** relating to:

- a settlement payable under an insurance policy or loan, mortgage, pension, investment or borrowing;
- b any dispute arising from or relating to the renewal of a lease or tenancy agreement or rent review

- 3 the recovery of money and the interest due from another party other than disputes where the other party intimates that a defence exists
- 4 any **claim**, that in the opinion of **rradar**, has a less than 51% prospect of success
- 5 costs incurred before **rradar** have consented to such costs being incurred.

X What is not covered

Bodily injury or property damage exclusion

We will not cover any **claim** or **loss** (as defined in each section of the **policy**):

- 1 for psychological or emotional distress other than an **employment practice claim**
- 2 for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**
- 3 for the loss, damage or destruction of any tangible property including loss of use of that property.

Breach of professional duty exclusion

We will not cover any **claim**, **loss** or **investigation** caused by a breach of or failure to provide professional duties or services.

This exclusion will not apply to a **claim** for any actual or alleged failure to supervise the performance of any professional services.

Claims outside of the policy territories exclusion

We will not cover any **loss** or **investigation** caused by any **claim** outside the **policy territories**.

Defined benefit pension schemes exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 an **insured person's** operation or administration of any defined benefit pension scheme
- 2 an **insured person's** breach of any legislation or regulation relating to any defined benefit pension scheme.

Deliberate or dishonest acts exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person** acting for **you**
This exclusion does not apply to any regulatory self reporting.
- 2 an act by any **insured person** intended to obtain or which does obtain a personal profit or advantage which was not legally theirs other than a **claim** under the Employee dishonesty cover or Third party electronic funds transfer cover
- 3 an act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

Employment exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any **employment practice claim**.

Employee dishonesty and third party funds transfer exclusions

We will not cover any **claim**, **loss** or **investigation** caused by employee dishonesty or third party funds transfer in relation to:

- 1 any accounting or arithmetical error, omission or unexplained shortage
- 2 any default on a credit or other loan agreement

- 3 any loss of interest, loss of profit or any other indirect financial loss.

We will also not cover **your** costs of establishing the amount of **your** direct financial loss.

Excess exclusion

We will not pay the **excess** detailed in **your** schedule (under each section of cover). The **excess** shall only be payable at the conclusion of any **claim** and/or **investigation**.

Failure to fund pension, share ownership or employee benefit schemes exclusion

We will not cover any **claim**, **loss** or **investigation** for **your** failure to fund any pension, share ownership employee benefit or any other similar scheme.

Prior claims, investigations and circumstances exclusion

We will not cover any **loss** or **investigation** caused by any **claim**, **investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

Prior litigation exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person**, **you** or an **outside company** started before the date of **your** first purchase of Directors and Officers Liability insurance.

Products liability exclusion

We will not cover any **claim**, **loss** or **investigation** caused by the sale, manufacture, installation or supply of any of **your products**. This exclusion does not apply to any **Investigation costs** cover and/or criminal or regulatory proceeding.

Share offerings exclusion

We will not cover any **loss** or **investigation** caused by any **claim** for a **wrongful act** relating to any actual public offering of **your** share capital unless:

- 1** **we** have given **our** prior written agreement; and
- 2** **you** have paid any additional premium and accepted any amendments **we** may need to make to the terms and conditions of this **policy**.

Takeovers and mergers exclusion

We will not cover any **loss** or **investigation** caused by any **claim** for a **wrongful act** after **you**:

- 1** merge or consolidate with another company; or
- 2** any party acquires more than 50% of **your** issued share capital.

Section conditions

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

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under the management liability sections of **your policy**.

If a **claim** is made which is not completely covered by any management liability section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** that is covered and **loss** not covered by this **policy**.

Claims notification condition

You must:

- 1** as soon as possible within the **period of insurance** or at the latest within 45 days after it expires:
 - a** give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** unless otherwise agreed by **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1** **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing and any further information **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a **claim**
 - c** details of any other relevant insurances.
- 3** **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:

Partner – £185 per hour

Associate – £150 per hour

Section 7 – Company legal liability section continued

Solicitor – £115 per hour

Paralegal – £90 per hour.

Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring **defence costs**, **we** will agree to this providing **our** agreement is obtained within 14 days.

- 4 **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5 **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Notification of potential claims condition

You may give **us** notice of any **circumstance** which might reasonably be expected to lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Where **we** accept the **circumstance** any future **claim** arising from this **circumstance** shall be deemed to have been made in the **period of insurance** in which the **circumstance** was first notified.

Severability condition

Only statements made (whether in the Proposal or otherwise) and information possessed by any Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of the Company or any other person authorised by the Company to make statements or complete the proposal shall be imputed to **you** in determining whether cover applies under **your policy**.

Section 8 – Equipment breakdown

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Accident(s)

- 1** Electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force.
- 2** Artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires.
- 3** **Explosion** or **collapse** of **covered equipment** operating under steam or other fluid pressure.
- 4** **Damage** to **covered equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment.
- 5** **Damage** to hot water boilers, other water heating equipment, oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment.
- 6** **Damage** caused by operator error that results in the overloading of covered equipment.

All accidents that are the result of the same event will be considered to be one accident.

Biomass and Biogas installations

Any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant, including anaerobic digesters, storage tanks, augers, screeners, scrubbers, boilers, gas engines, generators, heat exchangers, pumps and motors.

Breakdown

- 1** The actual breaking, failure, distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising

Section 8 – Equipment breakdown *continued*

from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work.

- 2 Fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative.
- 3 The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.

Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents).

Computer equipment

Building management control systems.

Covered equipment

- 1 **Computer equipment**
- 2 Equipment at the **premises** owned by **you** or for which **you** are responsible
 - a which is built to operate under vacuum or pressure (other than the weight of its contents)or
 - b that generates, transmits, stores or converts energy.

Damage

Direct physical loss or damage.

Derangement

Electrical or mechanical malfunction of the machinery arising from a cause internal to **computer equipment** unaccompanied by visible **damage** to or breaking of any parts of the equipment.

Explosion

The sudden and violent rending of **covered equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **covered equipment** together with forcible ejection of the contents.

Hazardous substance

Any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.

Hired in plant

Mechanical, electrical or manually powered implements, materials, containment preparation and handling equipment, scaffolding, staging ladders and similar equipment, site huts, cabins or similar contractors plant and equipment hired in by **you**.

Hydroelectric installations

Any equipment, machinery, dam and weir used in connection with running a hydroelectric power station, including turbines, sluice gates, screens, screeners, pumps, motors, generators, gearboxes, engines, alternators and associated equipment. Hydroelectric installations also include any substation and distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing (including fixtures and fittings), and security equipment.

Manufacturing production or process equipment

Any machine or apparatus (other than boilers, lifts, fork lift trucks, dock levelers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by **you** and any equipment which exclusively serves such machinery or apparatus.

Media

All forms of electronic, magnetic and optical tapes and discs for use in any **computer equipment**.

Verified

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration.

✓ What is covered

Provided that Section 1 – Buildings of this **policy** is operative **we** will cover **you** for **damage** caused by or resulting from an **accident** to **covered equipment** owned by **you** or for which **you** are responsible.

Basis of claims settlement

- 1 Claims for the total loss or destruction of **covered equipment** will be settled on the basis replacement of property similar to but no better or more extensive than the **covered equipment** when new.
- 2 Claims for partial **damage** to **covered equipment** will be settled on the basis of restoration to a condition no better or more extensive than the condition of the **covered equipment** when new.

Limit of cover

The most **we** will pay under this section is £5,000,000 any one **accident**.

Extensions of cover

Additional access costs cover

Provided that Section 1 – Buildings of this **policy** is operative **we** will pay for any necessary additional costs incurred in order to gain access to repair or replace the **covered equipment** following an **accident**.

The most **we** will pay under this extension is £20,000 any one **accident**.

Computer equipment, reinstatement of data and increased costs of working cover

We will cover **you** for **damage** caused by or resulting from an **accident** to **computer equipment**.

The most **we** will pay for this cover is £500,000 for any one **accident** to **computer equipment** whilst at the **premises** specified in the **policy** schedule.

In addition **we** will pay for the costs incurred in reinstating data lost or damaged in consequence of an **accident** to or **derangement** of **computer equipment**.

The most **we** will pay for this cover is £50,000 any one **accident**.

Provided that

- 1 liability is limited solely to the cost of reinstating data onto **media**
- 2 **we** will not be responsible for loss of or **damage** to software.

In addition **we** will pay the reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to **your** computer operations.

The most **we** will pay for this cover is £50,000 any one **accident**.

Damage to own surrounding property cover

We will pay for **damage** to property at **your premises**, or **damage** to property which is in **your** custody and control and for which **you** are responsible, directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

The most **we** will pay under this extension is £1,000,000 any one **accident**.

Debris removal cover

We will cover **you** for the costs incurred in the removal of debris and protection of **covered equipment** following an **accident**.

The most **we** will pay under this extension is £25,000 any one **accident** or 20% of the indemnifiable **damage** whichever is the lower.

Expediting expenses cover

With respect to damaged **covered equipment** **we** will pay for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

The most **we** will pay under this extension is £20,000 any one **accident**.

Hazardous substances cover

We will cover **you** for the additional cost to repair or replace **covered equipment** because of contamination by a **hazardous substance** including any additional expenses incurred to clean up or dispose of such property.

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

Hire of substitute item cover

If **covered equipment** is damaged as a result of an **accident** **we** will pay for the cost of hire charges actually incurred by **you** during the **period of insurance** for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged.

The most **we** will pay under this extension is £10,000 any one **accident**.

Hired in plant cover

The Insurer will indemnify the Insured in respect of plant hired in by them against their legal liability under the terms of the hiring agreement to pay

- 1** for physical loss of or **damage** to the plant
- 2** continuing hiring charges for the plant following loss or **damage** insured under a)

whilst the plant is at any **premises** stated in the Policy Schedule and whilst in transit (other than by sea or air) from one premises to another.

Subject to a limit of £20,000 in the aggregate during any one **period of insurance**.

Where legal proceedings have been initiated against the Insured with respect to an indemnifiable incident under this Extension the Insurer will with its written consent pay all legal expenses actually incurred by the Insured.

Special conditions

Hiring conditions

The insurance provided by this Extension will indemnify the Insured to the extent required by

- 1** The Model Conditions for the Hiring of Plant recommended by the Construction Plant-hire Association or the Scottish Plant Owners Association or conditions not more onerous
or
- 2** specific conditions agreed by the Insurer in writing and endorsed hereon

In the event of a loss involving hire conditions more onerous than those covered by this Extension the indemnity provided will be limited to liability under 1 or 2 above as applicable.

Multiple lifting operations

For the insurance provided under this Extension to be operative during any operation in which a load is shared between any items of lifting plant or lifting equipment (whether insured under this Extension or not) the lifting operation must be conducted in accordance with BS7121.

Special exclusions

1 Hire Purchase or Free Loan

Physical loss of or **damage** to any property on free loan or hire purchase to the Insured.

2 Road Vehicles

Loss of or **damage** to

- a** licensed cars lorries vans trucks or other road vehicles which are used in circumstances requiring insurance under any road traffic legislation (other than contractors plant as a tool of trade)
- b** quad bikes or motorcycles.

3 Unexplained Losses

Unaccountable losses or losses discovered on the occasion of checks or inventories unless the Insured can produce reasonable proof that such losses are as a result of an identifiable incident.

4 Loss of Use

Loss of use of the property insured by this Extension or consequential loss of any kind.

Rental income cover

Provided that Section 1 – Buildings of this **policy** is operative **we** will cover **you** for financial loss caused by or resulting from an **accident** to **covered equipment**.

The most **we** will pay for this cover is £100,000 during any one **period of insurance**.

Under this extension **we** will not pay for any loss resulting from damage to own surrounding property.

Repair costs investigation cover

With **our** prior written agreement **we** will pay costs relating to repair investigations and tests by consulting engineers for **damage** to **covered equipment** following an **accident** for an amount not exceeding £25,000 during any one **period of insurance**.

We will not cover **you** under this extension for fees incurred in preparing a claim under this **policy**.

Storage tanks and loss of contents cover

We will pay for **damage** caused by an **accident** to oil storage tanks or water tanks including connected pipework belonging to **you** or for which **you** are responsible at the **premises**.

In addition this extension covers loss of the contents of oil storage tanks caused by

- 1 escape of contents – leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- 2 contamination – contamination of the contents of oil storage tanks caused by or resulting from an **accident** including cleaning costs incurred as a result of such loss.

The most **we** will pay under this extension is £10,000 any one **accident**.

X What is not covered

Covered equipment exclusion

We will not cover **you** for **damage** to

- 1 any supporting structure, foundation, masonry, brickwork or cabinet, including the pipe work buried in the ground or in concrete, masonry or brickwork
- 2 any insulating or refractory material
- 3 any sewer, piping, underground vessels or piping or piping forming a part of a sprinkler system
- 4 any water piping other than boiler feedwater piping, boiler condensate return piping, hot water heating and supply piping or water piping forming a part of a refrigerating or air conditioning system
- 5 any vehicle, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment which are included but not the actual vehicle)
- 6 self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at **your premises**), dragline excavation or construction equipment
- 7 equipment manufactured by **you** for sale
- 8 tools, dies, cutting edges, crushing surfaces, trailing cables, flexible hoses, non metallic linings, electric elements or filaments, cathode ray tubes or x-ray tubes, driving belts or bands or any part requiring periodic renewal
- 9 any electronic equipment (other than **computer equipment**) used for research diagnostic treatment, experimental or other medical or scientific purposes
- 10 any **manufacturing production or process equipment** including linked **computer equipment**
- 11 any bespoke software or individually tailored packages unless **you** have in force a support agreement with the supplier or a third party maintainer approved by the supplier
- 12 any electricity generating equipment other than emergency back-up power equipment or wind turbines (less than 10kw) or photovoltaic equipment less than 50kw

- 13** any kitchen and food preparation equipment, laundry and cleaning equipment, audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is **your** property or for which you are responsible)
- 14** equipment not owned by **you**
- 15** fuel installations
- 16** any safety or protective device caused by its operation
- 17** any **Biomass Biogas installation**
- 18** any **Hydroelectric installation**.

Date Recognition Exclusion

We will not cover **you** for damage directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date. But **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

Electronic risks exclusion

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

- 1** the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2** any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

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

We will cover subsequent damage which is covered by this section, which itself results from a defined peril covered by this section, except for damage caused by malicious persons other than thieves.

Excess exclusion

We will not cover **you** for the amount shown as the **excess** for all other damage under Section 1 – Buildings subject to a minimum amount of £250 for each and every loss.

Explosion condition

You must ensure that any vessel, machinery or apparatus or its contents belonging to **you** or under **your** control, which needs examination to comply with any statutory regulations, will have a contract providing the required inspection. If **you** do not comply with this condition **you** will not be covered and we will not pay your claim.

Gradually operating causes exclusion

We will not cover **you** for damage caused by depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions (but any such damage resulting from an **accident** will be covered).

Guarantee or maintenance agreement exclusion

We will not cover **you** for **damage** recoverable under the maintenance agreement or any warranty or guarantee or which would be recoverable but for breach of **your** obligations under the agreement.

Loss or damage to data or media exclusion

We will not cover **you** for **damage** to data or **media** of any kind caused by

- 1** programming error or programming limitation
- 2** computer virus
- 3** introduction of malicious code
- 4** loss of data (other than as specifically provided for under the Extension of cover for the reinstatement of data)

- 5 loss of access
- 6 loss of use
- 7 loss of functionality.

Pollution or contamination exclusion

We will not cover **you** for any damage caused by pollution or contamination unless the damage is caused by

- 1 pollution or contamination which itself results from a **defined peril** provided that peril is covered by this section
- 2 any **defined peril** provided that peril is covered by this section, which itself results from pollution or contamination.

Resetting exclusion

We will not cover **you** for **damage** caused by any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting or cleaning or by the performance of maintenance (but any such **damage** resulting from an **accident** will be covered).

Radioactive contamination exclusion

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

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

Solidification exclusion

We will not cover **you** for **damage** due to the solidification or biological activity or spontaneous chemical reaction in the contents of tanks or materials being processed.

Terrorism and Northern Ireland

Exclusion

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

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

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

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

Testing exclusion

We will not cover **you** for **damage** caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment.

War risk exclusion

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

Section conditions

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

Back-up records condition

You will maintain a minimum of two generations of **verified** back-up computer records taken at intervals no less frequently than 48 hours and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations.

Precautions condition

You will exercise due diligence in

- 1** complying with any statute or order
- 2** ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent damage.

Section 9 – Legal expenses

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Meanings of defined terms

The words listed below have been given a specific meaning and apply to Section 9 when they begin with a capital letter.

Appointed representative

The preferred law firm, law firm, tax consultancy, accountant or other suitably qualified person **we** will appoint to act on the **insured person's** behalf.

Business

As shown in the policy schedule.

Costs and expenses

- 1** All reasonable and necessary costs chargeable by the **appointed representative** and agreed by **us** in accordance with the **DAS standard terms of appointment**.
- 2** The costs incurred by opponents in civil cases if the **insured person** has been ordered to pay them, or the **insured person** pays them with **our** agreement.

Countries covered

- 1** For **insured incidents** Legal defence (excluding statutory notice appeals), and Personal injury The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.
- 2** For all other **insured incidents** The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

DAS standard terms of appointment

The terms and conditions (including the amount **we** will pay to an **appointed representative**) that apply to the relevant type of claim, which could include a conditional fee agreement

(no win, no fee). Where a law firm is acting as an **appointed representative** the amount is currently £100 per hour. This amount may vary from time to time.

Date of occurrence

Date of occurrence means:

- 1 for civil cases (other than under Insured incident 11 – Tax Protection), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the date of occurrence is the date of the first of these events (This is the date the event happened, which may be before the date **you** or an **insured person** first become aware of it)
- 2 for criminal cases, the date when the **insured person** commenced or is alleged to have commenced to violate the criminal law in question;
- 3 for licence or registration appeals, the date when **you** first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel **your** licence, mandatory registration or British Standard Certificate of Registration;
- 4 for Insured incident Tax protection, the date when HM Revenue & Customs, or the relevant authority, first notifies **you** of its intention to carry out an enquiry. For **VAT** or **employer compliance disputes**, the date the dispute arises during the **period of insurance** following the issue of an assessment, written decision or notice of a civil penalty;
- 5 For Insured incident Legal defence statutory notice appeals, the date when the **insured person** is issued with the relevant notice and has the right to appeal.

Employee

Employee means any person acting under a contract of employment with **you**.

Employer compliance dispute

A dispute with HM Revenue & Customs concerning **your** compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

Insured incident

Insured incident means and refers to an event or happening covered under Insured incidents 1 – 11.

Insured person

Insured person means the directors, partners, managers and **employees** of the residential management association, RTM company or freeholder.

Period of insurance

The period for which **we** have agreed to cover the **insured person**.

Preferred law firm or tax consultancy

A law firm, barristers' chambers or tax expert **we** choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the **insured person's** claim and must comply with **our** agreed service standard levels, which **we** audit regularly. They are appointed according to the **DAS standard terms of appointment**.

Premises

The property or properties which are owned by **you** or are **your** responsibility and insured as declared to **us** and, if let under a tenancy agreement which is in writing, properly executed and containing an enforceable forfeiture clause applies.

Reasonable prospects

- 1 For civil cases, the prospects that the **insured person** will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that **we** have agreed to, including an enforcement of judgment), make a successful

Section 9 – Legal expenses *continued*

defence or make a successful appeal or defence of an appeal, must be at least 51%. **We**, or a **preferred law firm or tax consultancy** on **our** behalf, will assess whether there are **reasonable prospects**.

- 2 For criminal cases there is no requirement for there to be prospects of a successful outcome, however for appeals the prospects must be at least 51%.

Tax enquiry

A written notice of enquiry, issued by HM Revenue & Customs, to carry out an Income Tax or Corporation Tax compliance check which either:

- 1 includes a request to examine any aspect of **your** books and records; or
- 2 advises of a check of **your** whole tax return.

VAT dispute

A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to **your** VAT affairs.

We, us, our, DAS

DAS Legal Expenses Insurance Company Limited.

You, your

The **business** that has taken out this **policy** (shown as the policyholder in the policy schedule).

✓ What is covered

We will indemnify **you** (or where specified, the **insured person**) in respect of an **insured incident** arising in connection with the activities of the residential management association, RTM company or freeholder shown on the schedule provided that:

- 1 the **date of occurrence** of the **insured incident** happens during the **period of insurance** and within the **countries covered**

- 2 all legal proceedings are dealt by a court, or other body **we** agree to, within the **countries covered**
- 3 **reasonable prospects** exist for the duration of the claim
- 4 the **insured incident** happens within the **countries covered**.

What we will pay

We will pay an **appointed representative**, on **your** behalf, **costs and expenses** incurred following an **insured incident**, and any compensation awards that **we** have agreed to, provided that:

- 1 the most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is noted on the schedule
- 2 the most **we** will pay in **costs and expenses** is no more than the amount **we** would have paid to a **preferred law firm or tax consultancy**. The amount **we** will pay a law firm (where acting as an **appointed representative**) is currently £100 per hour. This amount may vary from time to time
- 3 in respect of an appeal or the defence of an appeal, **you** must tell **us** within the time limits allowed that **you** want to appeal. Before **we** pay the **costs and expenses** for appeals, **we** must agree that **reasonable prospects** exist
- 4 for an enforcement of judgment to recover money and interest due to **you** after a successful claim under this section, **we** must agree that **reasonable prospects** exist
- 5 where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most **we** will pay in **costs and expenses** is the value of the likely award, and
- 6 in respect of Legal defence (f) Jury service and court attendance the maximum **we** will pay is the **insured person's** net salary or wages for the time that the **insured person** is absent from work less any amount **you**, the court or tribunal pays.

Insured incidents

1 Legal defence

Costs and expenses to defend the **insured person's** legal rights:

a Criminal pre-proceedings cover

Prior to the issue of legal proceedings, when dealing with the Police, Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer where it is alleged that the **insured person** has or may have committed a criminal offence.

b Criminal prosecution defence

Following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction.

Provided that:

*for claims relating to the Health and Safety at Work etc Act 1974 the **countries covered** shall be any place where the Act applies. Please note **we** will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the **business** shown in the schedule.*

c Data protection and Information Commissioner registration

i If civil action is taken against the **insured person** for compensation under Section 13 of the Data Protection Act 1998. **We** will also pay any compensation award made against the **insured person** under Section 13 of the Data Protection Act 1998 provided **you** were registered with the Information Commissioner at the time of the **insured incident**.

ii In an appeal against the refusal of the Information Commissioner to register **your** application for registration.

*Please note **we** will not cover the cost of fines imposed by the Information Commissioner. Please see section exclusion 3.*

d Wrongful arrest

If civil action is taken against **you** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**.

e Statutory notice appeals

In an appeal against the imposition or terms of any Statutory Notice issued under legislation affecting **your business**.

f Jury service and court attendance

An **insured person's** absence from work:

- i** to perform jury service
- ii** to attend any court or tribunal at the request of the **appointed representative**.

The maximum **we** will pay is the **insured person's** net salary or wages for the time that they are absent from work less any amount **you**, the court or tribunal, have paid them.

Provided that:

*for each of the above sections of Legal defence cover **you** request **us** to provide cover for the **insured person**.*

We will not pay for:

- 1** any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs.
Please note this exclusion applies to paragraph (a) of Insured incidents 1 Legal defence.
- 2** prosecution due to infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.
Please note this exclusion applies to paragraphs (a) and (b) of Insured incidents 1 Legal defence.
- 3** an appeal against the imposition or terms of any Statutory Notice issued in connection with **your** licence, mandatory registration or British Standard Certificate of Registration

- 4 a Statutory Notice issued by an **insured person's** regulatory or governing body.

2 Property protection

A civil dispute relating to material property which is owned by **you**, or is **your** responsibility following:

- a any event that causes physical damage to such material property; or
- b a legal nuisance (meaning any unlawful interference with **your** use or enjoyment of **your** land, or some right over, or in connection with it) or
- c a trespass.

*Please note that **you** must have established the legal ownership or right to the land that is the subject of the dispute.*

We will not pay for any claim relating to the following:

- a a contract entered into by **you**; please refer to Insured incident 6 Contract dispute
- b goods in transit or goods lent or hired out
- c goods at **premises** other than those occupied by **you** unless the goods are at such **premises** for the purpose of installations or use in work to be carried out by **you**
- d mining subsidence
- e defending **your** legal rights other than in defending a counter-claim
- f a motor vehicle owned or used by, or hired or leased by an **insured person** other than damage to motor vehicles where **you** are engaged in the business of selling motor vehicles
- g the enforcement of a covenant by or against **you**.

3 Commercial and residential leased or let property

We will pay **costs and expenses** to pursue **your** legal rights:

- a in a dispute with a tenant arising from a breach or alleged breach of the tenancy agreement which relates to the use or maintenance of the **premises**, excluding repossession, recovery of money and dilapidations; or
- b to obtain possession of the **premises**, provided that, where appropriate, all statutory and contractual notices have been correctly served by **you** on the tenant; or
- c to recover money and interest due from a lease, licence or tenancy of the **premises**, including enforcement of judgment

Provided that:

- i the amount in dispute exceeds £250 (incl VAT) and a claim is made within 90 days of the money becoming due and payable or, if it is rent that is owed, it must have been overdue for at least one calendar month
 - ii if **you** accept payment (or part payment) of any rent arrears from the tenant, **you** must provide proof **you** have warned the tenant this does not prevent **you** taking further action against them to recover monies owed
 - iii where the tenant is a limited company, **you** must have sought and followed advice from the **appointed representative** before accepting payment of rent arrears
 - iv the other party does not intimate that a defence exists.
- d In a dispute relating to dilapidations to the **premises**.

Provided that:

- i the amount in dispute exceeds £1,000

- ii prior to the tenancy beginning, a detailed inventory, which notes the condition of all items on the inventory is prepared by **you**
- iii after the tenant has vacated the **premises**, a detailed schedule of dilapidations is prepared by **you**.
- e In defending any allegation of nuisance arising from the **premises** used solely for residential purposes.
- f To evict anyone who is not **your** tenant or ex-tenant from the **premises** and who has not got **your** permission to be there.

We will not pay for:

- a Unless equivalent legal expenses insurance was continuously in force immediately prior to inception of this **policy**, any claim where the originating cause of action arises within 90 days of the start of this cover.
- b A dispute arising from or relating to:
 - i the negotiation, review or renewal of the lease or tenancy agreement
 - ii any matter relating to service charges
 - iii rent, tax or building regulations or decisions or compulsory purchase orders or restrictions or controls placed on **your** material property by any government or public or local authority
 - iv any claim relating to registering rents, reviewing rents, buying the freehold of the **premises** or any matter that relates to rent tribunals, the leasehold valuation tribunal, land tribunals or rent assessment committees
 - v any planning application, review or decision
 - vi mining subsidence.
- c Any claim relating to:
 - i land or **premises** used for agricultural purposes

- ii any arbitration or Agricultural Land Tribunal hearing relating to any dispute arising out of a contract of tenancy or lease regulated by the 1986 Agricultural Holdings Act or 1995 Agricultural Tenancies Act or at hearings of the Scottish Land Court relating to disputes arising out of a contract of tenancy or lease regulated by the 1991 Agricultural Holdings (Scotland) Act or 2003 Agricultural Holdings (Scotland) Act under the terms of the tenancy or lease or as directed by statute.

4 Repossession

We will negotiate for the following:

- a England, Wales and Scotland

Your legal rights in trying to get possession of **your** property that **you** have let under:

- i an assured shorthold tenancy;
- ii a short assured tenancy; or
- iii an assured tenancy.

These are all defined by the Housing Act 1988 or the Housing (Scotland) Act 1988.

Your legal rights in trying to get possession of **your** property if you have let **your** property to a limited company or partnership and **your** property has been let for people to live in. **Your** legal rights in trying to get possession of **your** property if you have let **your** property and **you** live in **your** property as the landlord.

- b Northern Ireland

Your legal rights in trying to get possession of **your** property that **you** have let to which The Private Tenancies Order 2006 applies.

Provided that:

- i For both a and b **you** must give the tenant the correct notices telling him or her that **you** want possession of **your** property.
- ii All posted pre-agent notices and pre-proceeding notices must be sent by recorded delivery post.

5 Personal injury

At **your** request, **we** will pay **costs and expenses** for an **insured person's** and their family members' legal rights following a specific and sudden accident that causes the death of, or bodily injury to them.

We will not pay for any claim relating to the following:

- a** any illness or bodily injury that develops gradually
- b** psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical bodily injury
- c** defending an **insured person's** or their family members' legal rights other than in defending a counter-claim; or
- d** clinical negligence.

6 Contract disputes

A contractual dispute arising from an agreement or an alleged agreement that has been entered into by **you** or on **your** behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

- a** The amount in dispute exceeds £250 (incl VAT). If the amount in dispute exceeds £5,000 (incl VAT), **you must pay the first £500 of any claim. If you are using a preferred law firm, you will be asked to pay this within 21 days of your claim having been assessed as having reasonable prospects. If you are using your own law firm, this will be within 21 days of their appointment (following confirmation your claim has reasonable prospects).**
If you do not pay this amount the cover for your claim could be withdrawn.
- b** If the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £250 (incl VAT).
- c** If the dispute relates to money owed to **you**, a claim is made within ninety (90) days of the money becoming due and payable.

We will not pay for:

- a** Any dispute arising from an agreement entered into prior to the inception date of the indemnity provided by Section 9 if the **date of occurrence** is within the first ninety (90) days of the indemnity provided by Section 9.
- b** Any claim relating to the following:
 - i** the settlement payable under an insurance policy; (**we** will cover a dispute if **your** insurer refuses **your** claim, but not for a dispute over the amount of the claim)
 - ii** the sale, purchase, terms of a lease, licence or tenancy of land or buildings However **we** will cover a dispute with a professional adviser in connection with these matters
 - iii** a loan, mortgage, pension, guarantee or any other financial product and choses in action;
 - iv** a motor vehicle owned by, or hired or leased to **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
- c** A dispute with an **employee** or ex-**employee** that arises out of, or relates to, a contract of employment with **you**. (Please refer to Insured incident 8 Employment disputes and compensation awards.)
- d** A dispute arising from a breach or alleged breach of professional duty by an **insured person**.
- e** The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.
- f** A dispute which arises out of the:
 - i** sale or provision of computer hardware, software, systems or services; or
 - ii** the purchase or hire of computer hardware, software, systems or services tailored by a supplier to **your** own specification.

7 Debt recovery

A dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgments. Provided that:

- i** The debt exceeds £250 (incl VAT).
- ii** A claim for debt recovery under Insured Incident 3 is made within ninety (90) days of the money becoming due and payable.
- iii** **We** have the right to select the method of enforcement or to forego enforcing judgment if **we** are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

We will not pay for:

- a** Any debt arising from an agreement entered into prior to the inception date of the indemnity provided by Section 9 if the debt is due within the first ninety (90) days of the indemnity provided by Section 9.
- b** Any claim relating to the following:
 - i** the settlement payable under an insurance policy;
 - ii** the sale, purchase, terms of a lease, licence or tenancy of land or buildings;
 - iii** a loan, mortgage, pension or any other financial product and choses in action;
 - iv** a motor vehicle owned by, or hired or leased to **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
- c** A dispute that arises out of the sale, provision, purchase or hire of computer hardware, software, systems or services tailored by a supplier to **your** own specification.
- d** The recovery of money and interest due from another party where the other party intimates that a defence exists
- e** any dispute which arises from debts **you** have purchased from a third party.

8 Employment disputes and compensation awards

a Employment disputes

Costs and expenses to defend **your** legal rights:

- i** before the issue of legal proceedings in a court or tribunal
- ii** following the dismissal of an **employee**; or
- iii** Where an **employee** or ex-**employee** has contacted ACAS (Advisory, Conciliation and Arbitration Service) to commence the Early Conciliation procedure; or
- iv** in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- v** in legal proceedings in respect of any dispute relating to:
- vi** A contract of employment with **you**: or
- vii** An alleged breach of the statutory rights of an **employee**, ex-**employee** or prospective **employee** under employment legislation.

We will not pay for:

- a** Any employment dispute where the cause of action arises within the first ninety (90) days of the indemnity provided by Section 9, unless equivalent insurance was continuously in force;
- b** any dispute where the originating cause of action arises within the first 90 days of the commencement of this **policy**;
- c** any dispute with an **employee** who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of this **policy** if the **date of occurrence** was within the first 180 days of the commencement of this **policy**;
- d** any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the commencement of this **policy**.
- e** damages for personal injury or loss of or damage to property

- f** Transfer of Undertaking Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations

b Compensation awards

We will pay:

- i** any basic and compensatory award; and/or
- ii** an order for compensation following a breach of **your** statutory duties under employment legislation in respect of a claim **we** have accepted under Insured incident 8 a – Employment disputes

Provided that:

- a** In cases relating to performance and/or conduct, **you** have throughout the employment dispute either:
 - i** followed the ACAS Code of Disciplinary and Grievance Procedures or
 - ii** followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
 - iii** sought and followed advice from **our** legal advice service.
- b** For an order of compensation following **your** breach of statutory duty under employment legislation, **you** have at all times sought and followed advice from **our** legal advice service since the date when **you** should have known about the employment dispute.
- c** For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, **you** have sought and followed advice from **our** Claims Department before starting any redundancy process or procedure with **your employees**
- d** The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by **us**.

- e** The total of the compensation awards payable by **us** shall not exceed £1,000,000 in any one **period of insurance**.

We will not pay for:

- a** any compensation award related to:
 - i** trade union activities, trade union membership or non-membership;
 - ii** pregnancy or maternity rights, paternity, parental or adoption rights;
 - iii** health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - iv** statutory rights in relation to trustees of occupational pension schemes.
- b** Non-payment of money due under a contract of employment or a statutory provision.
- c** Any award ordered because **you** have failed to provide relevant records to **employees** under the National Minimum Wage laws.
- d** Any compensation award or increase in compensation award relating to failure to comply with a current or previous recommendation made by a tribunal.
- e** a settlement agreed and payable following conciliation under ACAS Early conciliation procedure.

9 Employee civil legal defence

Costs and expenses to defend the **insured person's** (other than **your**) legal rights if an event arising from their work as an **employee** leads to civil action being taken against them:

- a** under legislation for unlawful discrimination: or
- b** as trustee of a pension fund set up for the benefit of **your employees**.

*Please note that **we** will only provide cover for an **insured person** (other than **you**) at **your** request.*

10 Service occupancy

Costs and expenses to pursue a dispute with an **employee** or ex-**employee** to recover possession of **premises** owned by, or for which **you** are responsible.

We will not pay for:

- a** Any claim relating to defending **your** legal rights other than defending a counter-claim.

11 Statutory licence protection

Costs and expenses for an **appointed representative** to represent **you** in appealing to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel **your** licence, mandatory registration or British Standard Certificate of Registration.

We will not pay for any claim relating to the following:

- a** assistance with the application process either in relation to an original or application for renewal of a statutory licence, mandatory registration or British Standard Certificate of Registration
- b** any licence appeal relating to the ownership, driving or use of a motor vehicle.

12 Tax protection

Costs and expenses for an **appointed representative** following:

- a** **Tax enquiry**
- b** an **Employer compliance dispute**
- c** a **VAT dispute**

provided that **you** have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

Please note **we** will only cover tax claims which arise in direct connection with the activities of the **business** shown in the schedule.

We will not pay for:

- a** Any claim relating to a tax avoidance scheme.
- b** Any failure to register for Value Added Tax or Pay As You Earn.
- c** Any investigation or enquiries by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by Revenue & Customs Prosecution Office.
- d** Any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.
- e** Any claims relating to import or excise duties and import VAT.

X What is not covered

In the event of a claim, if **you** decide not to use the services of a **preferred law firm or tax consultancy**, **you** will be responsible for any costs that fall outside the **DAS standard terms of appointment** and these will not be paid by **us**.

The total of the compensation awards payable by **us** shall not exceed the limit of liability shown in the schedule.

The first £500 of any contract dispute claim where the amount in dispute exceeds £5,000 (including VAT). If **you** are using a **preferred law firm**, **you** will be asked to pay this within 21 days of **your** claim having been assessed as having **reasonable prospects**. If **you** are using **your** own law firm, this will be within 21 days of their appointment (following confirmation **your** claim has **reasonable prospects**). If **you** do not pay this amount the cover for **your** claim could be withdrawn.

Exclusions – which apply to all insured incidents unless otherwise stated

We will not pay for any claim arising out of or relating to:

- a** Any claim reported to **us** more than 180 days after the date an **insured person** should have known about the **insured incident**.
- b** **Costs and expenses** incurred before the written acceptance of a claim by **us**.
- c** Fines, penalties, compensation or damages that the **insured person** is ordered to pay by a court or other authority other than compensation awards as covered under Insured incident 8 b Compensation awards, and Insured incident 1 Legal defence.
- d** Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- e** Any claim relating to rights under a franchise or agency agreement entered into by **you**.
- f** Any **insured incident** deliberately or intentionally caused by an **insured person**.
- g** A dispute with **us** not otherwise dealt with under Special condition 8.
- h** Any claim relating to a shareholding or partnership share in **your business**
- i** **Costs and expenses** arising from or relating to Judicial review coroner's inquest or fatal accident inquiry.
- j** Legal action that an **insured person** takes that **we** or the **appointed representative** have not agreed to or where the **insured person** has done anything that hinders **us** or the **representative**.
- k** When either at the commencement of or during the course of a claim, **you** are bankrupt or have filed a bankruptcy petition or winding-up petition, or have made an arrangement with **your** creditors, or have entered into a deed of arrangement or are in liquidation or part or all of **your** affairs or property are

in the care or control of a receiver or administrator.

- l** Apart from **us**, the **insured person** is the only person who may enforce all or part of this section and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to this section in relation to any third-party rights or interest.
- m** any claim where an **insured person** is not represented by a law firm, barrister or tax expert.
- n** Any claims relating to written or verbal remarks that damage the **insured person's** reputation
- o** Any claim directly or indirectly caused by or resulting from any device failing to recognise, interpret or process any date as its true calendar date.
- p** Any claim caused by, contributed to by or arising from:
 - i** iodising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
 - ii** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
 - iii** war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup, or any other act of terrorism or alleged act of terrorism as defined by the Terrorism Act 2000;
 - iv** pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

Section conditions

- 1 a** On receiving a claim, if representation is necessary, **we** will appoint a **preferred law firm or tax consultancy** as **your appointed representative** to deal with **your** claim. They will try to settle **your** claim by negotiation without having to go to court.

- b** If the appointed **preferred law firm or tax consultancy** cannot negotiate settlement of **your** claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then **you** may choose a law firm or tax expert to act as the **appointed representative**.
- We** will choose the **appointed representative** to represent **you** in any proceedings where **we** are liable to pay a compensation award.
- c** If **you** choose a law firm as **your appointed representative** who is not a **preferred law firm or tax consultancy**, **we** will give **your** choice of law firm the opportunity to act on the same terms as a **preferred law firm or tax consultancy**. However if they refuse to act on this basis, the most **we** will pay is the amount **we** would have paid if they had agreed to the **DAS standard terms of appointment**. The amount **we** will pay a law firm (where acting as the **appointed representative**) is currently £100 per hour. This amount may vary from time to time.
- d** The **appointed representative** must co-operate with **us** at all times and must keep **us** up to date with the progress of the claim.
- 2** An **insured person** must:
- a** co-operate fully with **us** and the **appointed representative**;
- b** give the **appointed representative** any instructions that **we** ask **you** to.
- 3** **a** An **insured person** must tell **us** if anyone offers to settle a claim and must not negotiate or agree to any settlement without **our** written consent.
- b** If an **insured person** does not accept a reasonable offer to settle a claim, **we** may refuse to pay further **costs and expenses**.
- c** **We** may decide to pay an **insured person** the reasonable value of the claim that the **insured person** is claiming or is being claimed against them instead of starting or continuing legal action. In these circumstances an **insured person** must allow **us** to take over and pursue or settle a claim in their name. An **insured person** must allow **us** to pursue at **our** own expense and for their benefit, any claim for compensation against any other person and an **insured person** must give **us** all the information and help **we** need to do so.
- 4** **a** An **insured person** must instruct the **appointed representative** to have **costs and expenses** taxed, assessed or audited if **we** ask for this.
- b** An **insured person** must take every step to recover **costs and expenses** and court attendance and jury service expenses that **we** have to pay and must pay **us** any amounts that are recovered.
- 5** If the **appointed representative** refuses to continue acting for an **insured person** with good reason or if an **insured person** dismisses the **appointed representative** without good reason, the cover **we** provide will end at once, unless **we** agree to appoint another **appointed representative**.
- 6** If an **insured person** settles a claim or withdraws their claim without **our** agreement, or does not give suitable instructions to the **appointed representative**, **we** can withdraw cover and will be entitled to reclaim any **costs and expenses we** have paid.
- 7** **We** may require **you** to get, at **your** own expense, an opinion from an expert, that **we** consider appropriate, on the merits of the claim or proceedings, or on a legal principle. The expert must be approved in advance by **us** and the cost agreed in writing between **you** and **us**. Subject to this **we** will pay the cost of getting the opinion if the expert's opinion indicates that it is more likely than not that **you** will recover damages (or obtain any other legal remedy that **we** have agreed to) or make a successful defence.
- 8** If there is a disagreement between **you** and **us** about the handling of a claim and it is not resolved through **our** internal

complaints procedure and **you** are a small business, **you** can contact the Financial Ombudsman Service for help.

Details available from www.financial-ombudsman.org.uk. Alternatively there is a separate arbitration process (this applies to all sizes of business). The arbitrator will be a barrister chosen jointly by **you** and **us**. If there is a disagreement over the choice of arbitrator, **we** will ask the Chartered Institute of Arbitrators to decide.

9 An **insured person** must:

- a** keep to the terms and conditions of this **policy**
- b** take reasonable steps to avoid and prevent claims
- c** take reasonable steps to avoid incurring unnecessary costs
- d** send everything **we** ask for in writing, and
- e** report to **us** full and factual details of any claim as soon as possible and give **us** any information **we** need.

10 **You** can cancel this **policy** by telling **us** at any time as long as **you** tell **us** at least 14 days beforehand. **We** can cancel this **policy** at any time as long as **we** tell **you** at least 14 days beforehand.

Subject to the terms of business between **you** and the person who sold **you** this **policy**, **you** may be entitled to a partial refund of the premium.

It is important to note that charges may apply to any refund subject to the individual terms of business between **you** and the person who sold **you** this **policy**. Please contact them directly for full details of charges.

11 **We** will, at **our** discretion, void the **policy** (make it invalid) from the date of claim, or alleged claim, and/or **we** will not pay the claim if:

- a** a claim the **insured person** has made to obtain benefit under this **policy** is fraudulent or intentionally exaggerated, or

- b** a false declaration or statement is made in support of a claim. Where the above circumstances apply, as part of **our** fraud prevention measures **we** will, at **our** discretion, also share information with other parties such as the police, government bodies and anti-fraud organisations.

12 Apart from **us**, **you** are the only person who may enforce all or any part of this **policy** and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the **policy** in relation to any third-party rights or interest.

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

14 This **policy** is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where **your business** is registered. Otherwise the law of England and Wales applies.

All Acts of Parliament mentioned in this **policy** include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

Claims – how we will settle your claim

As soon as **you** are aware of an **insured incident** please telephone **DAS** on 0344 893 0859. Please quote reference TS5/6695434.

We will ask **you** about **your** legal dispute and if necessary call **you** back at an agreed time to give **you** legal advice. If **your** dispute needs to be dealt with as a claim under Section 9, **we** will provide **you** with a claim reference number. At this point **we** will not be able to confirm that **you** are covered but **we** will pass the information **you** have given **us** to **our** claims handling teams and explain what to do next.

For all **insured incidents**, **we** will help in appealing or defending an appeal as long as the **insured person** tells **us** within the time limits allowed that they want **us** to appeal. Before **we** pay any **costs and expenses** for appeals, **we**

Section 9 – Legal expenses *continued*

must agree that it is always more likely than not that the appeal will be successful.

If **you** would prefer to report **your** claim in writing send it to:

Claims Department,
DAS Legal Expenses Insurance Company
Limited,
DAS House,
Quay Side,
Temple Back,
Bristol
BS1 6NH.

Alternatively **you** can email **your** claim to **us** at: newclaims@das.co.uk.

Please quote reference TS5/6695434

Claims are usually handled by an **appointed representative** appointed by **us**, but sometimes **we** will deal with claims ourselves. Claims outside the United Kingdom may be dealt with by other DAS offices elsewhere in Europe.

Please do not ask for help from a solicitor or accountant before **we** have agreed. If **you** do, **we** will not pay the costs involved. **We** will always try to give **you** a quality service.

If **you** think **we** have let **you** down, please write to **our** Customer Relations Department at our Head Office address:

DAS Head and Registered Office:

DAS Legal Expenses Insurance Company
Limited,
DAS House,
Quay Side,
Temple Back,
Bristol
BS1 6NH.

Registered in England and Wales, number 103274. Website: www.das.co.uk

Or **you** can telephone **us** on **0344 893 9013**

Or email **us** at customerrelations@das.co.uk

If **you** are still not satisfied and are a small business, **you** can contact the Insurance Division of the Financial Ombudsman Service at:

Exchange Tower,
London
E14 9SR

You can also contact them on: **0800 023 4567** (free from mobile phones and landlines), **0300 123 9123** or email them at complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Your complaint may be more suitably handled by a comparable complaints scheme, the Legal Ombudsman Service.

You can contact the Legal Ombudsman Service at:

PO Box 6806,
Wolverhampton
WV1 9WJ

You can also contact them by telephone on **0300 555 0333** or email them at enquiries@legalombudsman.org.uk

Website: www.legalombudsman.org.uk

Using this service does not affect **your** right to take legal action.

Details of **our** internal complaint handling procedures are available on request.

Data protection

To provide and administer the legal advice service and legal expenses insurance **we** must process **your** personal data (including sensitive personal data) that **we** collect from **you** in accordance with **our** Privacy Policy.

To do so, **we** may need to send **your** information to other parties, such as lawyers or other experts, the court, insurance intermediaries, insurance companies, appointed service providers or members of the DAS UK Group. To give **you** legal advice, **we** may have to send information outside the European Economic Area.

In doing this, **we** will comply with the Data Protection Act 1998. **We** will not disclose **your** personal data to any other person or organisation unless **we** are required to by **our** legal and regulatory obligations, or for the prevention and detection of crime, including fraud and financial sanctions. To prevent and detect crime **we** may use and share **your** data with other organisations and public bodies, including the police and anti-fraud organisations.

For any questions or comments, or requests to see a copy of the information **we** hold about **you**, please write to the Group Data Protection Controller at **our DAS** Head Office address

Supplementary covers

Automatic (newly acquired properties) cover

We will provide automatic cover under Section 1 – Buildings for **premises** newly acquired by **you** in the **policy territories** to the extent that **your** interest is not protected by any other more specific insurance provided that

- 1** as soon as reasonably possible **you** notify **us** in writing of each **premises** acquired and arrange specific cover with **us**
- 2** this cover will operate for a maximum period of 30 days from the date that **you** acquired **your** interest in the **premises**
- 3** the most **we** will pay for any one claim for **buildings** and **rental income** is £5,000,000 for any one **premises**
- 4** for any **premises** purchased for renovation, refurbishment or redevelopment the Day one average cover will not apply and the basis of settlement will be the **alternative basis of settlement**
- 5** the insurance under this extension shall be subject to all the terms, provisions, clauses, conditions and exclusions of the **policy**
- 6** if cover is provided under this extension then cover is not provided under the Capital additions cover at the same time for the same **premises**.

Capital additions cover

We will cover **you** under Section 1 – Buildings for

- 1** any newly acquired and/or newly erected **buildings** or **buildings** under construction (excluding any **buildings** which a building contractor is responsible for) which is not insured elsewhere
- 2** alteration, additions and improvements to **buildings**, but not for any appreciation in value

anywhere in the **policy territories**.

Provided that

- a** **you** give **us** details in writing of the additions as soon as possible but in any event within 30 days and **you** will ensure specific insurance is arranged with **us** from the date **you** became responsible

- b** the most **we** will pay for any one claim for **buildings** and **rental income** is £5,000,000 for any one **premises**
- c** the provisions of this cover will be fully maintained in addition to any specific insurance effected under **a** above
- d** if cover is provided under this extension then cover is not provided under the Automatic (newly acquired properties) cover at the same time for the same property.

Failure of other insurances cover

We will cover **you** under Section 1 – Buildings for

- 1** **damage** to **buildings**
- 2** loss of **rental income** following **damage** to **buildings**

where **you** have an insurable interest, but under the terms of the lease the responsibility for arranging adequate insurance cover rests with a third party lessee or third party lessor.

Provided that

- a** there is a valid, enforceable lease in force
- b** **you** could not have prevented such failure

provided that **we** will only cover

- i** the excess beyond the amount payable under such insurance in the event of failure of the third party's insurance
- ii** claims arising directly from a contingency specified in the lease, but not for more than the cover provided by this **policy**.

Our liability for **buildings** cover and **rental income** will not exceed £5,000,000 in total at any one **premises**.

Special condition applicable to Failure of other insurances cover

You must have procedures in place to check that lessees or lessors have arranged adequate insurance cover.

If **you** discover a failure to insure or to insure for reinstatement value, **you** must immediately arrange insurance cover.

Inadvertent omission cover

Provided that **you** have notified **us** of **your** intention to cover any **building** within the **policy territories** which is owned or leased by **you** or where **you** are under a contract to purchase or lease a **building**, **we** will cover **you** under Section 1 – Buildings for **buildings** and **rental income** that has been inadvertently omitted.

We will provide cover within the terms of this cover, subject to payment of the premium for all the **premises** inadvertently omitted from the start date of this **policy**.

But **we** will not cover

- 1 **buildings** which due to the terms of a lease, mortgage or other agreement should have been insured with another insurer
- 2 **buildings** for which at the time of loss there is an existing policy covering the same **damage**
- 3 **buildings** not insured due to **your** failure to renew an existing policy.

The most **we** will pay for any one claim at any single **premises** is £5,000,000.

Multiple insureds cover

This section of **your policy** covers the joint insured parties for **buildings** and **rental income** as detailed below for each party's respective rights and interests.

- 1 Where more than one insured party is shown in **your** schedule and each insured party operates as a separate and distinct entity then the cover provided by this section will apply to each insured party as if a separate **policy** had been issued to each.

Provided that **our** total liability to all insured parties together does not exceed the sum insured including any inner limits shown in the section.

- 2 Any payment or payments that **we** make to any or all insured parties will reduce **our** liability by the amount of the payment to all insured parties for any loss covered by the **policy** and (if applicable) in the **period of insurance**.
- 3 Each of the insured parties will comply with the contractual rights and agreements entered into by each insured party and the contractual remedies following loss or **damage**.
- 4 **We** will not pay any claim to an insured party if **we** find that the insured party has not complied with **our** Fair presentation of risk condition or where the insured party has committed fraud or not complied with a **policy** condition each being a vitiating act. A vitiating act (as explained in this multiple insured cover) committed by one insured party will not affect the rights of the other insured parties who have not committed a vitiating act.

Reduction in freehold or leasehold value following alteration in planning consent cover

We will cover **you** for the reduction in freehold or leasehold value that **you** incur following **damage** to any **building** and the existing area of the **building** or use of the **building** and land is restricted. Provided that this is as a result of the necessity to comply with building or other regulations under or framed in pursuance of any Act of Parliament or with bye-laws of any municipal or local authority.

For the purposes of this cover the reduction in freehold or leasehold value is the amount that would have been achieved by the sale of **your** freehold or leasehold interest immediately before the **damage** less the sum which would be achieved by the sale of **your** freehold or leasehold interest either

Supplementary covers *continued*

- a** immediately following completion of rebuilding repairs or restoration
- or
- b** if the local authority withholds its permission for the work to be carried out at the time the local authority tells **you** their decision.

We will not provide cover if **you** have not made every effort to regain the original planning consent.

The amount payable will need to be substantiated by **you** and agreed with **us** and any amounts already recovered for the **damage** under this **policy** and from any other source will be taken into consideration.

The most **we** will pay for any one claim for **buildings** and **rental income** is £500,000 for any one **premises** in addition to the agreed sum insured for the **premises**.

Making a complaint

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

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

How to make your complaint

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

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

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

AXA Insurance Commercial complaints

AXA House
4 Parklands
Lostock
Bolton
BL6 4SD

Tel: 01204 815359

Email:

commercial.complaints@axainsurance.co.uk

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

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

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

Beyond AXA

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

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

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

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

Tel: 0800 023 4567

Tel: 0300 123 9123

Fax: 020 7964 1001

Email:

complaint.info@financialombudsman.org.uk

Web: www.financial-ombudsman.org.uk

Our promise to you

We will

- Acknowledge written complaints promptly.
- Investigate **your** complaint quickly and thoroughly.
- Keep **you** informed of progress of **your** complaint.
- Do everything possible to resolve **your** complaint.
- Learn from **our** mistakes.
- Use the information from complaints to continuously improve **our** service.

Telephone calls may be recorded and monitored.

Financial Services Compensation Scheme (FSCS)

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

The European Commission has also provided an Online Dispute Resolution Service for logging complaints. To use this service please go to: <http://ec.europa.eu/odr>

This document is available in other formats.

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

www.axa.co.uk



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Registered Office: 29 Waterloo Road, Wolverhampton WV1 4DJ.
Registered in England and Wales No. 3874789. FRN: 305998

redefining / standards



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