

Your Residential Flats Policy



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About Residentsline

Residentsline Limited is a specialist insurance intermediary who is authorised and regulated by the Financial Conduct Authority; registration number: 305998.

Residentsline specialises in residential flats insurance and from their experience have accumulated a wealth of knowledge in relation to this type of insurance. They are leaders in innovation and policy design; ensuring the assets and liabilities of the landlord, management company and the leaseholders are protected.

Insurers

Sections 1 – 6

These sections are underwritten by QBE Insurance (Europe) Limited registered in England number: 1761561, of Plantation Place, 30 Fenchurch Street, London, EC3M 3BD; United Kingdom. Authorised and regulated by the Financial Conduct Authority; registration number: 202842.

The QBE Insurance Group is internationally recognised as a highly successful general insurer and re-insurer. Originating in Australia more than 120 years ago, QBE operates in 37 countries with a major presence in the UK, Europe, Australia and the USA.

QBE has a strong financial background and a philosophy based on specialization, leadership and continuity; they excel in the continuous delivery of new and proven quality products and services.

QBE have authorised the information contained in this document.

Section 7

Section 7 is underwritten by DAS Legal Expenses Insurance Company Limited (DAS), registered in England and Wales number 103274, whose Head office and registered address is DAS House, Quay Side, Temple Back, Bristol BS1 6NH. Authorised and regulated by The Financial Conduct Authority; registration number 202106.

and

DAS Law Limited; registered office: DAS Law Limited, North Quay, Temple Back, Bristol, BS1 6FL
Registered in England and Wales, number 5417859. Website: www.daslaw.co.uk
DAS Law Limited is authorised and regulated by the Solicitors Regulation Authority (registered number 423113)

DAS is recognised as the UK's leading legal expenses insurers in view of their expertise and many years experience in dealing with legal disputes for customers.

Authority to act on insurers behalf

QBE Insurance (Europe) Limited and DAS Legal Expenses Insurance Company Limited have given Residentsline Limited trading as Residentsline a binding authority to market, underwrite and administer this policy, and an associated range of general insurance products.

Any matters or enquiries You may have should be directed to Residentsline. Their contact details can be found in the Helplines section of this document.

Under the terms of these authorities Residentsline act as our agent, and not Yours, but liability within the terms and conditions of this policy remains at all times with QBE Insurance (Europe) Limited.

Introduction to Your policy

This document, which is Your insurance policy wording, contains important information to help You understand this insurance and choose the cover You need. This is an original wording. No part of this publication, or any variation of it, may be reproduced, stored in a retrieval system or transmitted in any form, or by any means, without prior permission in writing of Residentsline, it is an offence to do so and legal action will be taken.

It is very important that You read this Policy carefully and make sure You are satisfied with this insurance.

What makes up this policy?

This Policy and the Schedule must be read together as they form Your insurance contract. This Policy sets out what You are insured for and those circumstances where You will not be insured.

Some words and expressions have been given a specific meaning in this Policy and You will find their meaning under Definitions herein. These specific meanings only apply to these words when they begin with a capital letter.

Important: Sometimes We need to change the wording of Your Policy because the insurance varies depending on a number of factors. We do this by adding what is called an Endorsement.

What You should read

To understand the features, benefits and risks of this insurance and to determine if it is appropriate for You, it is important that You read:

- a. Introduction to Your policy
 - i. what makes up this policy
 - ii. claim notification; what You must do, and what You must not do
 - iii. what reasonable steps can You take to limit or contain any loss or damage
 - iv. cancellation – how Your policy may be cancelled
 - v. Complaint / Compensation
 - vi. duty of fair presentation
 - vii. privacy promise
- b. Policy wording - Residential Flats Insurance.
- c. the relevant Statement of Fact when issued to You;
- d. any schedule when it is issued to You; and
- e. any other documents We may give You that vary our standard terms of cover set out in this document.

These documents should be read carefully together. It is important that they are kept in a safe place.

Renewing Your policy

When We invite renewal of the policy Residentsline will endeavour to tell You at least 21 days before the expiry of the policy the premium and terms and conditions that will apply for the following year.

When renewing Your insurance with Us You are reminded to take appropriate steps to ensure accurate and up to date information is given and any alterations to the property, Your circumstances, or changes to Your claims or insurance history, are notified to Us in order that a fair presentation of the risk, as set out in the Insurance Act 2015, is provided.

Cancellation - how Your policy may be cancelled – Sections 1-6

For Section 7 (Legal Expenses) please refer to the Special Conditions listed within the Legal Expenses section

14 day cooling off period

If You want to return Your insurance after Your decision to buy it, You may cancel it and receive a full refund. To do this We must receive Your request either in writing or via email within 14 days of You receiving the Schedule.

This cooling off right does not apply if You have made or are entitled to make a claim. Even after the cooling off period ends You still have cancellation rights, however We may deduct certain amounts from any refund (see below).

1 Cancellation by You

You may cancel all or part of this Policy at any time by giving Residentsline fourteen (14) days notice in writing to Our address shown on the Schedule.

2 Cancellation by Us

We may cancel all or part of this Policy by giving You thirty (30) days notice of cancellation by registered post to Your last known address.

Notice of cancellation is deemed to be served on the third (3rd) day after being posted if sent by pre-paid letter post properly addressed.

This condition does not apply to Section 2.

3 Refund of premium

Provided this insurance is an annual contract and providing no claim has been made against the Policy, You will be entitled to a refund of Premium calculated equal to the unexpired period of this Policy less any administration fee and insurance premium tax.

4 No refund of premium

Where We have paid the total Sum Insured, Limit of Liability or aggregate Limit of Indemnity on a claim Your Policy with Us is deemed to have been fulfilled and there is no refund of any Premium, administration fee or insurance premiums tax.

Claim notification

We recognise that losses can mean disruption to both Your property and Your residents' safety and lifestyle and to minimise the impact of a loss Our aim is to provide a fast, effective claims service.

Having the required documentation and possibly photographs of the items will assist in having Your claim assessed and settled

Should You wish to make a claim You should, as soon as possible, contact

A. In respect of sections 1-6

Residentsline Ltd , 29 Waterloo Road, Wolverhampton WV1 4DJ

Tel: 0345 257 0365 or

Email to qbeclaims@residentsline.co.uk.

What You must do

When You wish to make a claim You must:

- i. provide details of the incident and if requested complete the claim form We send You and return it promptly together with all letters, documents, valuations, receipts or evidence of ownership that You have been asked to provide;
- ii. provide written statements if We require it;
- iii. be interviewed about the circumstances of the claim, if We require this;
- iv. allow Us to inspect Your Insured Property and take possession of any damaged item to deal with it in a reasonable way;
- v. provide Us as soon as possible with every notice or communication received concerning a claim by another person or concerning any prosecution, inquest or other official inquiry arising from the event;
- vi. comply with all the requirements of this Policy; and
- vii. give Us all information and assistance that We reasonably require in relation to the claim and any proceedings.

What You must not do

Whatever the circumstances You must NOT:

- i. admit guilt or fault (except in court or to the Police);
- ii. offer or negotiate to pay a claim;
- iii. admit or deny liability;
- iv. dispose of any damaged items without first seeking Our approval.

Our approval needed for repairs

Except for essential temporary repairs permitted under Additional Benefit 5 of Section 1, You are not authorised to commence repairs without our approval.

What other reasonable steps can You take to limit or contain any loss or damage:

- ◆ immediately ring the:
 - > fire brigade or emergency service in the case of a fire;
 - > ambulance service if a person is injured, however caused;
 - > police following theft, vandalism or malicious damage;
 - > appropriate utility provider for failure or escape of gas, electricity, water etc.;
- ◆ turn off water supply at the stop cock if a pipe bursts;
- ◆ turn off main tap on the storage system if oil leaks from the central heating system;
- ◆ where appropriate obtain the name and address details of any witnesses to an incident.

B. In respect of section 7 Legal Expenses

DAS at: DAS Legal Expenses Insurance Company Limited DAS House, Quay Side, Temple Back, Bristol BS1 6NH,

Tel: 0117 934 2111 or email to newclaims@das.co.uk. Please quote reference TS5/6695434.

Helplines

Policy administration

- Do You need to tell Residentsline about any changes?
- Do You need to discuss Your insurance requirements?
- Contact Residentsline's policy handling team - Call 0800 281235 or write to: Residentsline, 29 Waterloo Road, Wolverhampton, WV1 4DJ

If You have elected to include legal expenses cover as part of this Policy:

The following services are provided by DAS Law Limited in conjunction with the Legal Expenses section

Lines are available 24 hours a day, seven days a Week during the Period of Insurance. However, DAS may need to arrange to call You back depending on the enquiry or as shown below against each service. To help DAS check and improve their service standards, DAS may record all inbound and outbound calls, except those to the counselling service.

DAS will not accept responsibility if the Helpline Services fail for reasons they cannot control. Please do not telephone to report a general insurance claim.

Legal advice service Call 0344 893 0859

DAS will give You confidential legal advice over the telephone on any commercial legal problem affecting the Business, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway. Wherever possible the Legal Advice Helpline aims to provide immediate advice from a qualified legal advisor. However if this is not possible they will arrange a call back at a time to suit You.

DAS legal advisors provide advice on the laws of England and Wales 24 hours a day, 7 days a Week, 365 days a year. Where advice is sought in an area of law beyond this jurisdiction or in respect of very specialist matters, DAS will refer You to one of their specialist advisors. This will include European law and certain areas of law for Scotland and Northern Ireland.

Specialist advice is provided 9am - 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will call You back.

Tax advice service Call 0344 893 0859

DAS will give You confidential advice over the telephone on any tax matters affecting the Business, under the laws of the United Kingdom.

Tax advice is provided by tax advisors 9am – 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will call You back.

Counselling service Call 0344 893 9012

DAS will provide Your Employees (including any members of their immediate family who permanently live with them) with a confidential counselling service over the telephone including, where appropriate, onward referral to relevant voluntary and/or professional services. Any costs arising from the Use of these referral services will not be paid by DAS.

The counselling service helpline is open 24 hours a day, seven days a week.

Employment manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit their website at www.das.co.uk. From the Home Page click on the Employment Manual icon. All the sections of this web-based document can be printed off for Your own Use. Contact DAS at employmentmanual@das.co.uk with Your email address, quoting Your Policy number and they will contact You by email to inform You of future updates to the information.

DASbusinesslaw

Using www.dasbusinesslaw.co.uk You can create ready-to-sign contracts, agreements and letters in minutes. Developed by solicitors and tailored by You Using DAS' smart document builders. You can also buy legal documents from the site, ranging from simple debt recovery letters to employment contracts.

The service also provides useful tools, articles and information on matters such as new legislation, employment issues, property law and taxation all regularly updated by legal experts to help You keep Your Business one step ahead.

To access DASbusinesslaw, You will need to visit www.dasbusinesslaw.co.uk and register using the voucher code **DAS472301** and Policy Number **TS5/6695190**. When prompted to input Your company name, please insert the prefix **QBE** followed by the name of Your Business. If You experience any problems accessing the service, please email the problem to businesslaw@das.co.uk, quoting Your policy number.

Complaints - Sections 1-6

(For section 7 – Legal Expenses refer to page 63)

We strive to provide an excellent service to all Our customers but occasionally things can go wrong. We take all complaints seriously and endeavour to resolve all customers' problems promptly. If You have a question or complaint about this insurance or the conduct of its broker, You should contact that broker in the first instance. Alternatively, if You wish to contact Us directly You should write to the complaints address:

Customer Relations
Plantation House
30, Fenchurch Street
London EC3M 3BD
Tel +44 (0)20 7105 5988
Email CustomerRelations@uk.qbe.com

If, after making a complaint, You feel that the matter has not been resolved to its satisfaction, then if You are an eligible complainant, You may contact: the **Financial Ombudsman Service**. Their address is:

Exchange Tower
London E14 9SR
Tel: 0800 023 4567
Web: www.financial-ombudsman.org.uk

The FOS resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to You. We are bound by the determination of the FOS but the determination is not binding on You unless You accept the Ombudsman's decision.

Eligible complainants are:

- a. private individuals; and
- b. micro-enterprises.
'Micro-enterprises' will be able to bring complaints to the ombudsman as long as they have an annual turnover of under EUR2 million and fewer than ten (10) employees.
- c. charities with an annual income of less than GBP1million; or
- d. a trustee of a trust with net assets of less than GBP1million.

The FOS will only consider a complaint if You are an eligible complainant and if:

- a. We have been given an opportunity to resolve it and
- b. We have sent You a final response letter and You have referred Your complaint to the FOS within six (6) months of Our final response letter or
- c. We have not responded to Your complaint with a decision within eight (8) Weeks.

Making a complaint to the Financial Ombudsman Service (FOS) does not affect Your rights under this Policy but if You are not an eligible complainant then the informal complaint process ceases.

A summary of Our complaint handling procedure is available on request and will also be provided to You when acknowledging a complaint.

Compensation

QBE Insurance (Europe) Limited and DAS Legal Expenses Insurance Company Limited are covered by the Financial Services Compensation Scheme. This provides compensation in case any of its members are unable, in specified circumstances, to meet any valid claims under their policies. Compensation for non-compulsory insurance will be paid at 90% with no upper limit and at 100% if the insurance is legally compulsory with no upper limit. Compensation is only available to commercial customers in limited circumstances.

Further information can be obtained from the Financial Services Compensation Scheme at the following address:

Financial Services Compensation Scheme
10th Floor,
Beaufort House,
15 St Botolph Street,
London EC3A 7QU;
Tel: 0800 678 1100 or 020 7741 4100
Web www.fscs.org.uk.

Payment of premium

This Policy will provide insurance as described in the following sections for the Period of Insurance provided the Premium and other charges are paid to and accepted by Us on or before the commencement date shown on the Schedule or as otherwise agreed.

The Premium is deemed paid and accepted on receipt by Us or the intermediary appointed to place this insurance with Us.

Duty of fair presentation

You must make a fair presentation of the risk (as set out in the Insurance Act 2015 or successor or amending legislation) in proposing for, or proposing to vary, this insurance.

Data Protection

Data Privacy Notice (sections 1 – 6)

Any personal data provided to Us will be processed in compliance with all applicable laws and regulations and in accordance with the privacy notice which can be found at:

Web: <https://qbееurope.com/privacy-policy/>

Alternatively You may contact Our Data Protection Officer to request a copy of the full privacy notice by email:

email: dpo@uk.qbe.com

or by writing to the:

Data Protection Officer,
QBE European Operations,
Plantation Place,
30 Fenchurch Street,
London
EC3M 3BD.

Data Protection (section 7 Legal Expenses)

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.

Policy Wording - Residential Flats Insurance

General definitions - the meaning of some words – Sections 1-6

The words listed below have been given a specific meaning in this Policy and these specific meanings apply when the words begin with a capital letter. There may be special definitions that are specific to Sections 1 to 9 and these appear in the appropriate policy Section.

Accidental Loss or Damage

Accidental Loss or Damage means Damage caused by:

- a. aircraft or other aerial devices or articles dropped therefrom including sonic bangs and pressure waves caused by aircraft or other flying objects moving at or above the speed of sound.
- b. breakage or collapse of a communication or television or radio aerial or antenna, aerial fittings, masts, satellite dishes or falling trees but excluding Damage:
 - i. by lopping, pruning or felling of trees.
- c. earthquake;
- d. explosion
- e. fire (including fire resulting from the buildings own spontaneous fermentation or heating), lightning, thunderbolt, subterranean fire, and smoke but excluding:
 - i. smoke or smut Damage from industrial operations (other than sudden or unforeseen damage resulting therefrom) or any other gradually operating cause.
- f. impact by any vehicle, train or animal but excluding:
 - i. Damage caused by animals kept at the premises;
- g. malicious persons or vandals;
- h. riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances but excluding Damage:
 - i. occurring in Northern Ireland.
- i. storm or flood, but excluding Damage:
 - i. caused by frost, subsidence, ground heave or landslip.
- j. subsidence or ground heave of any part of the Situation, or landslip, but excluding Damage:
 - i. to private garages, yards, forecourts, car parks, roads, pavements, hard courts, patios, terraces, walls, gates, fences, garden landscaping, paving, trees and plants unless there is Damage to the other portions of the Insured Property at the same time;
 - ii. caused by or consisting of:
 - ◆ the normal settlement or bedding down of new structures or surfaces;
 - ◆ the settlement or movement of made-up ground;
 - ◆ coastal or river Erosion;
 - ◆ defective design or workmanship or the use of defective materials;
 - ◆ the movement of solid floor slabs unless the foundations beneath the external walls of the building are damaged at the same time from the same cause;
 - iii. resulting from demolition, construction, structural alteration, repair of the building or ground works or excavation at the Situation.
- k. theft or attempted theft;
- l. water, fuel, beverages or other liquids escaping from or freezing in any tank, pipe, sprinkler installation, fixed oil heating installation (including smudge damage by vaporisation due to a defective oil-fired heating installation) or any other liquid container apparatus but excluding Damage:
 - i. to any portion of the Insured Property that is disused;
 - ii. to Insured Property caused by frost other than to internal plumbing installations that are not in outbuildings.
- m. any other accidental Damage, but not Damage specifically excluded in:
 - i. Clauses a. to l. above;
 - ii. Section 1 exclusions;
 - iii. General Exclusions.

Business

Business means:

- a. the ownership, maintenance and repair of Your Insured Property and Common Areas;
- b. the provision and management of canteen, sports, social or welfare organisations for the benefit of Employees and fire, security, first aid medical and ambulance services;
- c. the provision of security services for the benefit of the Insured;
- d. private work undertaken with Your prior consent by Employees for any of Your directors or senior officials;
- e. the sponsorship of events or involvement in galas, carnivals, fetes, corporate hospitality or exhibitions happening at Your Situation.

Common Area

Common area means the area at Your Situation to which all Lessees and Tenants have access.

Costs and Expenses

Solely in respect of Sections 4 and 5 Costs and Expenses means:

- a. costs and expenses (other than claimant costs recoverable from You or any other party insured hereunder) incurred in the investigation, adjustment, appraisal, defence or settlement of an insured Occurrence, including expert, legal, appeal and defence costs;
- b. pre-judgment interest awarded against You on that part of any judgment covered under Section 5 but where We offer to pay the Limit of Indemnity in settlement of a claim or suit, We will not pay any pre-judgment interest imposed or earned after the date of such offer;
- c. all interest earned on that part of any judgment within the Limit of Indemnity after entry of the judgment and before We have paid, offered to pay, or deposited in court that part of any judgment that is within the applicable Limit of Indemnity;
- d. costs and expenses of legal representation at any coroner's inquest or inquiry in respect of any death that may be the subject of indemnity under Sections 4 or 5.

Damage

Damage means loss of, destruction of or damage to tangible property.

Depreciation

Depreciation means the reduction in the value of the item due to Wear and Tear.

Earth Movement

Earth movement means heavage, landslide, land-slippage, mudslide, settling, shrinkage or subsidence.

Electronic Data

Electronic data means displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for such equipment.

Employee(s)

Employee means any person while working for You in connection with Your Business who is:

- a. under a contract of service or apprenticeship with You;
- b. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by You;
- c. a labour master or person supplied by him;
- d. a person engaged by a labour only sub-contractor;
- e. a self-employed person performing work under a similar degree of control and direction by You as a person under a contract of service or apprenticeship with You;
- f. a driver or operator of hired-in plant;
- g. a trainee or person undergoing work experience.
- h. voluntary worker

Endorsement(s)

Endorsement means a written alteration to the terms, conditions and limitations of this Policy that are shown on and form part of the Schedule.

Erosion

Erosion means being worn or washed away by water, ice or wind.

Event(s)

Event(s) means a happening or an incident not intended to happen that occurs during a particular interval of time and causes or results in loss or damage, or series of loss or damage happening from that one Event, that is insured by this Policy.

Excess

Excess means the amount You must pay towards a claim. You will find the amount of any excess shown on the Schedule.

Flat

Flat means an area shown on a lease as a self contained unit of residential accommodation or other type of occupancy in Your Insured Property.

Hostile territory

Hostile territory means a territory designated by the Foreign and Commonwealth Office as one

- a. to which personnel are 'advised against all travel to';
- b. that personnel should leave having designated the territory 'advised against all travel to'.

Indemnity Value

Indemnity value means the lesser of:

- a. the cost to rebuild, replace or repair property to a condition that is equivalent to or substantially the same as but not better nor more extensive than its condition at the time of loss taking into consideration age, condition and remaining useful life, and with an appropriate deduction for any unavoidable betterment; and
- b. the difference between the open market value of the property immediately prior to the time of loss and its open market value immediately after the time of loss.

Injury

Injury means bodily injury, death, disease, illness, physical and mental injury of or to an individual.

Insured

Insured means the person(s) and/or other entity(ies) named on the Schedule.

Insured Property

Insured property means:

- a. building or buildings, including:
 - i. car parks, roads, pavements, drives, pedestrian malls and service areas;
 - ii. fixed fuel oil, diesel fuel and liquid petroleum gas tanks;
 - iii. fixed glass in windows, doors, fanlights, skylights and partitions including blinds and fitments for which You are responsible;
 - iv. fixed sanitary fittings, washbasins, pedestals, sinks, ceramic hobs and tops, solar panels, shower screens and baths;
 - v. foundations and footings;
 - vi. internal decorations on ceilings, walls and the like;
 - vii. landlord's and Lessee's fixtures, fittings and other structural improvements;
 - viii. outbuildings, garages, carports, lamp-posts, street furniture, patios, terraces, gates and fences;
 - ix. authorised satellite dishes, radio, television and other antennas including their associated wiring, masts, footings, foundations, moorings and towers;
 - x. security lighting, security cameras, other security devices, fire protection devices and signs;
 - xi. swimming pools, spas, tennis courts;
 - xii. shop fronts and all fixed glass therein, blinds and fitments thereon unless otherwise insured;
 - xiii. Tenants fixtures and fittings that have been relinquished to the Insured;
 - xiv. underground and overhead services;
 - xv. septic tanks and cess pits;

that You own or have responsibility for by law or under the terms of Your lease:

- ◆ at, in or adjacent to Your Situation, or
- ◆ temporarily removed elsewhere in the United Kingdom including transit to and from Your Situation.

Building does not include aircraft, caravans, trailers, Vehicles, hovercraft and Watercraft including their accessories or spare parts whether fitted or not.

- b. Common Area contents being:
 - i. furniture, furnishings, household goods, light fittings, internal blinds, curtains;
 - ii. built-in or freestanding domestic appliances such as dishwashers, washing machines and dryers, other electrical items;
 - iii. carpets (whether fixed or unfixed), floor rugs;
 - iv. garden equipment including garden appliances not required to be registered;
 - v. swimming pool or spa covers and accessories;

that You own or have legal responsibility for:

- ◆ at, in or adjacent to Your Situation, or
- ◆ temporarily removed elsewhere in the United Kingdom including transit to and from Your Situation.

Common Area contents does not include:

- i. aircraft, caravans, trailers, Vehicles (other than garden appliances not required to be registered), hovercraft and Watercraft including their accessories or spare parts whether fitted or not;
- ii. livestock, fish, birds or other animals;
- iii. Lessee's Contents and resident's contents and any other personal property of theirs;
- iv. money, other than as covered under Special Benefit 13 of Section 1;
- v. plants, hedges, trees, shrubs, gravel, shale, stones, clay or soil on paths or driveways or tennis courts, soil or bark or mulch in gardens other than as covered under Special Benefit 12 of Section 1.

Land Value

Land value means the sum certified by a suitably qualified surveyor who is a member of the Royal Institute of Chartered Surveyors (R.I.C.S) as being the value of the land at the Situation after due allowance has been made for variations or other special circumstances affecting such value either before or after the Damage and that would have affected the value had Damage not occurred.

Lessee(s)

Lessee(s) means the person(s) and/or other entity(ies) being the proprietor of the leasehold interest in the Insured Property. Their interest or liability as an occupier of a Flat is not included unless otherwise specifically provided by this Policy.

Lessee's Contents

Lessee's contents means (but not so as to limit the generality thereof):

- a. freestanding appliances such as dishwashers, washing machines and dryers;
- b. computers, electronic and electrical equipment, garden equipment;
- c. furniture, furnishings, carpets, floor rugs, clothing, personal effects and the like.

Lessee's Fixtures and Improvements

Lessee's Fixtures and Improvements means any fixture or structural improvement installed by a Lessee for their exclusive Use that is permanently attached to or fixed to Your building so as to become legally part of it, including any improvements made to an existing fixture or structure.

Limit of Indemnity

Limit of Indemnity means:

- a. for Section 3 the amount stated on the Schedule which is the maximum amount of Our liability arising out of one Occurrence or series of Occurrences arising out of one (1) originating cause regardless of the number of:
 - i. other insured parties; or
 - ii. persons or organisations bringing claims or suits; or
 - iii. claims against You or series of claims against You, or claims or series of claims made by You; except that:
 - ♦ liability arising out of Products and/or Pollution shall not during any one Period of Insurance exceed in the aggregate the Limit of Liability.
 - ♦ Costs and Expenses are payable in addition to the Limit of Indemnity;
- b. for Section 4 the amount stated on the Schedule which is the maximum amount of Our liability arising out of one (1) Occurrence regardless of the number of:
 - i. other insured parties; or
 - ii. persons or organisations bringing claims or suits; or
 - iii. claims against You or series of claims against You, or claims or series of claims made by You.
- c. for all other policy sections the amount stated on the Schedule which is the maximum amount We will pay, inclusive of claimant's costs and expenses recoverable from You, arising out of any one Event or Occurrence unless otherwise stated in a policy section.
- d. where a Limit of Indemnity is stated on the Schedule as in the aggregate, that aggregate is the maximum We will pay for all insured Events or Occurrences during the Period of Insurance.

Nuclear Hazards

Nuclear Hazards means:

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

Occurrence(s)

Occurrence(s) means a happening, including continuous or repeated exposure to substantially the same general conditions, that results in Personal Injury or Property Damage neither expected nor intended to happen by You.

Other Insured Party

Other Insured Party means any of the following parties:

- a. any director, partner, Employee or a former Employee of the Insured;
- b. any officers, committee members and/or Employee, paid and voluntary helpers of the Insured's canteen and welfare organisations, nursery, crèche or child care facilities, sports and social organisations, in their respective capacities as such;
- c. any officers and members of the Insured's security, rescue, first aid, fire and ambulance services, medical organisation other than any doctor, surgeon or dentist while working in a professional capacity in their respective capacities as such;
- d. any director or partner or executive of the Insured in respect of private work undertaken by any Employee for a director, partner or executive of the Insured;
- e. any officers or trustees of the Insured's pension scheme(s).

Period of Insurance

Period of Insurance means the period for which You are insured. It commences at 00.01 am on the date shown on the Schedule and expires at midnight on the day of expiry shown on the Schedule. All times are Greenwich Mean Time unless otherwise stated.

Policy

Policy means this document and the Schedule (including any issued in substitution) and any Endorsements attaching to those documents that will be considered part of the legal contract.

Premium

Premium means any amount We require You to pay under the Policy. Government charges, levies and or Insurance Premium Tax will be added at the prevailing rate and separately identified on the Schedule.

Property Manager

Property Manager means a person(s) or other entity(ies) You appoint in writing to manage Your Insured Property.

Rent

Rent means, as regards any Flat or part of Your Common Area leased to a Tenant, an amount of money calculated on the basis of the annual rentable value (including any 'outgoings' payable by a Tenant) that applied immediately prior to loss or Damage.

Replacement

Replacement means:

- a. the reasonable cost of rebuilding, replacing or repairing the damaged property, including any associated costs such as architects fees, other professional fees and removal of debris, to a condition that is equivalent to or substantially the same as but not better nor more extensive than when it was new; and
- b. the extra costs necessarily incurred to alter or upgrade the damaged property to comply with European Union legislation, regulations under Acts of Parliament or other Statutory, Local or Public Authority requirements; but does not include any costs that would have been incurred in complying with orders issued prior to the happening of the loss.

Residentsline

Residentsline means Residentsline Limited who are a specialist insurance intermediary authorised and regulated by the Financial Conduct Authority; registration number 305998.

Schedule

Schedule means the document titled Schedule that includes the name and address of the Insured, the Premium and other variables to this standard Policy (including any Endorsement clauses) and is incorporated in this Policy and accepted by the Insured. Schedules (including renewal Schedules) may be re-issued from time to time where each successor overrides the earlier document.

Situation

Situation means the land at the address(es) shown on the Schedule where Your Insured Property is situated.

Sum Insured

Sum insured means the amount stated on the Schedule which is the maximum amount of Our liability for any one Event regardless of the number of persons claiming an indemnity.

Temporary Accommodation

Temporary Accommodation means, as regards any Flat occupied by a Lessee, an amount of money calculated on the basis of similar accommodation located in the vicinity.

Tenant

Tenant means any person authorised under the terms of a lease, rental or similar type agreement who lives in a Flat including any other co-inhabitant or family normally resident with the Tenant.

Terrorism

- a. For Sections 1 and 2, terrorism means for all territories other than England, Wales and Scotland; an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group (s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:
 - i. endangers life other than that of the person committing the action; or
 - ii. involves violence against one or more persons; or
 - iii. involves Damage to property; or
 - iv. creates a risk to health or safety of the public or a section of the public; or
 - v. is designed to interfere with or to disrupt an electronic system.
- b. For Sections 1 and 2, for England, Wales and Scotland terrorism means; an act of terrorism includes any act of any persons acting on behalf of, or in connection with, any organisation that 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.
- c. For Sections 3 and 4 terrorism means: an activity that involves a violent act or the unlawful Use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure, or a threat thereof; and appears to be intended to:
 - i. intimidate or coerce a civilian population, or
 - ii. disrupt any segment of the economy of a government de jure or de facto, state, or country, or
 - iii. overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion; or
 - iv. affect the conduct or policy of any government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking.

Tsunami

Tsunami means a sea or ocean wave caused by an earthquake, earth tremor or seismological disturbance under the sea.

United Kingdom

United Kingdom means England, Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands.

Vehicle, Vehicles

Vehicle(s) means:

- a. any type of machine on wheels or self-laid tracks made or intended to be propelled by other than manual or animal power that is or should be registered and/or insured under legislation in the United Kingdom; and
- b. any trailers or other attachments made or intended to be drawn by any of those machines.

War

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

Watercraft

Watercraft means any vessel, craft or thing made or intended to float on or in or travel through water.

Wear and Tear

Wear and Tear means damage or a reduction in value through age, ordinary Use or lack of maintenance.

We, Our, Us

We, Our, Us means:

- a. in respect of Sections 1 - 6:
QBE Insurance (Europe) Limited (No. 1761561);
- b. in respect of Section 7
DAS Legal Expenses Insurance Company Limited (No. 103274).

You, Your, Yours, Insured

You, Your, Yours, Insured means:

- a. in respect of Sections 1 and 2:
 - i. the Insured named on the Schedule;
 - ii. Lessees in respect of Special Benefits 4, 15, 17, 25, 26 and 27 of Section 1;
- b. in respect of Sections 3, 4, and 5:
the Insured named on the Schedule.
- c. in respect of Section 5:
 - i. You, Your, Yours means past, present or future Directors or Officers who act on behalf of the Insured
 - ii. Insured means the person(s) and/or other entity(ies) named on the Schedule.

General conditions – Sections 1 – 6

For Section 7 (Legal Expenses) refer to the Special Conditions listed within the Legal Expenses section

1 Acts or omissions of Your managing agent

We will not deny liability for a claim, or reduce the amount thereof, if Our right of denial or reduction is solely caused by an act, error or omission of Your Property Manager while acting on Your behalf.

2 Alteration of risk, non-invalidations

We shall not indemnify You for any liability arising out of a material change for which indemnity would otherwise have been available under this insurance unless We have provided valid confirmation of cover, whether by an express term of this policy, endorsement, written confirmation or otherwise.

For the avoidance of doubt, You do not need to advise Us if one or more Flats become unoccupied. However, if all of the Flats become unoccupied You must provide Us with immediate written notice and We reserve the right to impose additional terms or charge additional premium.

However the cover provided by this Policy will not be invalidated by any act, omission, change or alteration that increases the risk of Damage or likelihood of liability losses if it is made without Your authority or knowledge or beyond Your control provided You tell Us as soon as You become aware of any such change or alteration

3 Applicable law

This Policy will be governed by and interpreted in accordance with the laws of England and Wales and subject to the exclusive jurisdiction of the High Court, London.

4 Duty of fair presentation - remedies for breach – proposing for this insurance

If You or anyone acting on Your behalf breaches Your duty of fair presentation then Our remedies shall be as follows:

- a. if such breach is deliberate or reckless, We may:
 - i. treat this Policy as having been terminated from its inception; and
 - ii. retain the Premium;
- b. if such breach is not deliberate or reckless and We would not have entered into this Policy but for the breach, We may by notice to You treat this Policy as having been terminated from its inception in which case We shall return the premium; and
- c. in all other cases if, but for the said breach, We would have entered into this Policy but:
 - i. on different terms (other than terms relating to the Premium), We may require that this Policy is treated as if it had been entered into on those different terms from the outset; or
 - ii. would have charged a higher premium, We may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, We shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{higher premium}) \times 100$.

5 Duty of fair presentation - remedies for breach – variation

If You or anyone acting on Your behalf breaches Your duty of fair presentation in relation to a variation of this Policy, Our remedies shall be as follows:

- a. if such breach is deliberate or reckless, We may:
 - i. by notice to You treat this Policy as having been terminated from the time when the variation was concluded; and
 - ii. retain the premium;
- b. if such breach is not deliberate or reckless, and We would not have entered into the variation but for the breach, We may treat this Policy as if the variation was never made, in which case We shall return any additional premium relating to the variation; and
- c. in all other cases if, but for the said breach, We would have entered into the variation but:
 - i. on different terms (other than terms relating to the premium), We may require that the variation is treated as if it had been entered into on those different terms;
 - ii. would have increased the premium by more than it did or at all, We may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, We shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{higher premium}) \times 100$; or
 - iii. would not have reduced the premium by as much as it did or at all, We may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, We shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{reduced total premium}) \times 100$.

6 Excess

You must pay or contribute the amount of any Excess shown on the Schedule for each claim made.

Should more than one Excess be payable for any claim arising from the one Event, such Excesses will not be aggregated and the highest single level of Excess only will apply.

General Condition 6 does not apply to Sections 4 and 6.

7 Inflation protection – index linking

Using a range of suitable indices of costs on the basis set out in Section 1 – Insured Property - What We insure –

Replacement and Claims – How We settle Your claim - 1 Replacement, We will increase Your Sum Insured under Section 1:

- a. each month during the Period of Insurance.
We will do so without charging any additional Premium but on renewal Your Premium will be based on the new sums insured shown on Your Schedule.
- b. each month, up to a maximum of twenty-four (24) months, following the happening of an Event that requires substantial or total rebuilding of Your Insured Property until the time such rebuilding is commenced.

General Condition 7 does not apply to Sections 3 - 6.

8 Joint Insured

When more than one party is named on the Schedule as an Insured We will treat each as a separate and distinct party. The words You, Your, Yours will apply to each party in the same manner as if a separate Policy had been issued to each party, provided Our liability for any Sum Insured or other policy limit is not thereby increased. Any act, breach or non-compliance with the terms and conditions of this Policy committed by any one such party:

- a. shall not be prejudicial to the rights and entitlements of the Other Insured Party(ies); provided that
- b. the Other Insured Party(ies) upon becoming aware of any such act, breach or non-compliance that increases the risk of loss, Damage or liability give Us written notice within a reasonable time.

General Condition 8 does not apply to Sections 3 - 6.

9 Mortgagees and lessors

It is agreed that any increase in the risk of damage resulting from any act or neglect of any mortgagor, leaseholder, Lessee or occupier of the Insured Property will not prejudice the interest of any mortgagee, freeholder or lessor provided such increase in risk is without their prior knowledge or authority and that We are notified immediately they become aware of such increase in risk and pay an appropriate additional premium if required.

General Condition 9 does not apply to Sections 3 - 6.

10 Observance

The due observance and fulfilment of the provisions of this Policy insofar as they may relate to anything to be done or complied with by You, and are not described in the Policy as conditions precedent, will be a condition of this Policy. Any waiver by Us of any provision will not prevent Us from relying on such term or condition or condition precedent in the future.

Further, where an indemnity is provided to any other party, You will arrange for each party to comply with the terms, conditions and conditions precedent of this insurance so far as they can apply provided always that the other party complies with the terms as noted under “Claims Information – 1. Sections 1-6”

In the event of a breach of any condition in the Policy, and without prejudice to any of Our other rights, We may reject or reduce claims connected with the breach providing We can demonstrate some prejudice.

In the event of a breach of any condition precedent in the Policy and without prejudice to any of Our other rights, We may reject or reduce claims connected with the breach and continue the Policy on such terms as We may determine and, if any payment on account of any such claim has already been made, You will repay forthwith all payments on account to Us

11 Other Interests

The interest of such other parties including, as the case may be, lessors, mortgagees, banks and hire purchase companies is noted in this insurance but only to the extent of their financial interest in the Insured Property

In the event of any claim:

- a. You will immediately declare to Us the names of such interested parties; and
- b. We will consult with such declared interested parties as regards the manner and method of any indemnity so as to protect the direct financial interests of such parties.

12 Reasonable Precautions

You must take reasonable precautions to avoid loss or damage to any property insured by this Policy and to avoid any incident that might result in liability as indemnified by this Policy.

13 Reinstatement of sum insured

After We have admitted liability for a claim We will automatically reinstate the Sum Insured and/or Special Benefit limits to their pre-loss amount without any additional Premium having to be paid.

This condition does not apply:

- a. when We pay a total loss;
- b. when We pay the full Sum Insured.

General Condition 13 does not apply to Sections 3 - 6.

14 Sanction limitation and exclusion

We shall not provide cover nor be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us or any member of Our group to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.

15 Subrogation

In the event of a payment under Sections 1 - 6 to You or on Your behalf, We will be subrogated to all Your rights of recovery against all persons or organisations.

16 Subrogation waiver

In the event of a claim arising under Section 1 We agree to waive any rights, remedies or relief to which We may be entitled by subrogation against:

- a. any company whose relationship to You is either a parent to subsidiary or subsidiary to parent as defined in, or within the meaning of the relevant Companies Act or Companies (N.I.) Order, current at the time of insured Damage;
- b. any company that is a subsidiary of a parent company of that You are a subsidiary as defined in, or within the meaning of the relevant Companies Act or Companies (N.I.) Order, current at the time of insured Damage;
- c. any Lessee of Yours provided that:
 - i. the Lessee contributes to the cost of insuring the Insured Property against the Event that caused the insured Damage;
 - ii. the Damage did not result from a breach of the terms of the lease by the Lessee;
 - iii. the Damage did not result from a criminal, fraudulent or malicious act of the Lessee.

17 Tracing office database

Where We provide an indemnity under the Employers' Liability (Compulsory Insurance) Regulations 1998, We are required by regulation to maintain a database of all the companies and subsidiary companies covered by such insurance. We support and will add details of all company names to the Employers' Liability Tracing Office database.

Accordingly, it is a condition of this insurance that You undertake to supply full details (as required by the Employers' Liability Tracing Office) of the company and all subsidiary companies to Us at inception of this Policy and promptly thereafter following acquisition or disposal of any subsidiary company

General exclusions – Sections 1-6 (unless otherwise stated)

For Section 7 (Legal Expenses) refer to the Exclusions listed within the Legal Expenses section

We will not pay for any loss, Damage, benefit, legal liability, compensation, or any other loss, costs, fees, charges or expenses of whatsoever kind, arising directly or indirectly from or in any way connected with:

1 Act of terrorism

Death, Injury, illness, loss, Damage, liability, cost or expense directly or indirectly caused by, contributed to, resulting from or arising out of or in connection with any:

- a. Act of Terrorism, regardless of any other cause or Event contributing concurrently or in any other sequence to the loss;
- b. action in controlling, preventing, suppressing, retaliating against, or responding to any Act of Terrorism.

General Exclusion 1 does not apply to Sections 2, 3 or 4.

2 Asbestos

Liability to pay for personal Injury or property Damage caused by or arising directly or indirectly out of or in connection with the actual or alleged use or presence of asbestos.

General Exclusion 2 does not apply to Sections 3 and 4.

3 Electronic Data

Losses to Electronic Data. However cover is otherwise provided by these policy Sections for losses to Electronic Data arising out of Events referred to in Section 1 clauses a to l under 'General definitions – Accidental Loss or Damage'.

General Exclusion 3 does not apply to Sections 3 and 4.

4 Government action

Martial law, confiscation, nationalisation, requisition or destruction of property by or under the order of any Government or Public or Local Authority or any action taken in controlling, preventing, suppressing or in any way relating to War.

General Exclusion 4 does not apply to Sections 3 and 4.

5 Nuclear

Ionising radiation from, or contamination by radio-activity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

General Exclusion 5 does not apply to Sections 3 and 4.

6 War, expropriation

War or warlike activities including invasion, act of a foreign enemy, hostilities (whether War is declared or not), civil war, rebellion, revolution, insurrection, use of military or usurped power, looting, sacking or pillage following any of these, or the expropriation of property.

General Exclusion 6 does not apply to Sections 3 and 4.

Claims information

1. Sections 1 - 6

a. Your immediate action

As soon as You discover that an Event likely to result in a claim has occurred, You must:

- i. take all reasonable steps to reduce the loss or Damage and to prevent any further loss or Damage;
- ii. inform the police immediately following theft, vandalism or malicious damage.

Important note

It is a condition of Your insurance that You notify Us promptly of any Event or Occurrence which may result in a claim.

You may have to contribute towards Your claim if Your notification is late and results in higher costs for Us or harms Our investigation opportunities

b. How to make a claim

For all claims You must promptly inform Residentsline by telephone : Tel: 0345 1223283

Email to qbeclaims@residentsline.co.uk.

or in writing to Residentsline Ltd , 29 Waterloo Road, Wolverhampton WV1 4DJ

Having the required documentation and possibly photographs of the items will assist in having Your claim assessed and settled.

c. What You must do

When You wish to make a claim You must:

- i. provide details of the incident and if requested complete the claim form We send You and return it promptly together with all letters, documents, valuations, receipts or evidence of ownership that You have been asked to provide;
- ii. not dispose of any damaged items without first seeking Our approval;
- iii. provide written statements if We require it;
- iv. be interviewed about the circumstances of the claim, if We require this;
- v. allow Us to inspect Your Insured Property and take possession of any damaged item to deal with it in a reasonable way;
- vi. provide Us as soon as possible with every notice or communication received concerning a claim by another person or concerning any prosecution, inquest or other official inquiry arising from the Event;
- vii. comply with all the requirements of this Policy; and
- viii. give Us all information and assistance that We reasonably require in relation to the claim and any proceedings.

d. What You must not do

Whatever the circumstances You must NOT:

- i. admit guilt or fault (except in court or to the Police);
- ii. offer or negotiate to pay a claim;
- iii. admit or deny liability;
- iv. dispose of any damaged items without first seeking Our approval.

e. Our approval needed for repairs

Except for essential temporary repairs permitted under Additional Benefit 4 of Section 1, You are not authorised to commence repairs without Our approval.

f. Repairs or replacement

We have the right to nominate the repairer or supplier to be Used.

g. Claim administration and legal proceedings

When a claim is admitted under this Policy, We have the right at Our discretion to exercise all Your legal rights relating to the Event or any claim and to do so in Your name.

h. Salvage value

We are entitled to any salvage value on recovered items and damaged items that have been replaced.

I. Contribution

If at the time of claim under Sections 1 or 2 there is any other insurance covering the same risk or any part thereof We will not be liable for more than Our rateable proportion. Nothing herein will be construed to make the insurance subject to the terms, limitations, conditions and definitions of any other insurance except that if any other insurance is subject to any condition of average, then the insurance by this Policy if not already subject to a condition of average will be subject to average in like manner.

If at the time of claim under Sections 3 - 6 there is any other valid and collectible insurance available to You, other than insurance arranged by You that is specifically stated to be in excess of these Sections 3 - 6 and names the insurer for the insurance, then the insurance afforded by Sections 3 - 6 will be in excess of and will not contribute with such other insurance.

j. False or misleading information

We will not pay for any claim that is deliberately exaggerated or where You or anyone acting for You uses, or attempts to use, fraudulent means to obtain benefits under this policy. If You or they do, or attempt to:

- a. We will cancel this policy from the date of the fraudulent act
- b. We will not refund any premiums
- c. all benefit under this policy shall be forfeited.

We may inform the police and fraud prevention agencies of the circumstances.

2. Section 7

The claims service for Section 7 is administered by **DAS** Legal Expenses Insurance Company Limited.

You should refer to Section 7 Legal Expenses for all information as to how a claim will be handled or by sending an email to newclaims@das.co.uk.

Section 1 – Insured property

What We insure

The insurance under Section 1 covers Replacement costs against Accidental Loss or Damage to Your Insured Property that occurs during the Period of Insurance on the basis set out in Claims - How we will settle your claim - 1 Replacement up to the Sum Insured stated on the Schedule.

Day One cover (non adjustable)

We agree to calculate the premium upon the Declared Value provided that, at inception of this Policy and the commencement of each subsequent Period of Insurance, You notify Us of the Declared Value of each such item (in the absence of such a notification, the last amount declared by You will be adjusted in accordance with a range of suitable indices of costs to arrive at the Declared Value for the ensuing Period of Insurance).

Where by reason of any provision of the clause under Section 1; Claims – how we will settle your claim – 1. Replacement - no payment is to be made beyond the amount that would have been payable if those conditions had not been incorporated, Your rights and liabilities in respect of the Damage shall be subject to the terms, conditions, limitations and exclusions of this Policy (including the applicable Underinsurance provision) as if this condition had not been incorporated, except that the Sum Insured shall be limited to one hundred and fifteen per cent (115%) of the pertinent Declared Value stated in the Schedule.

For the purposes of this clause Declared Value shall be defined as:

Your assessment of the cost of reinstatement of Your Insured Property arrived at in accordance with General Definition – Replacement at the level of costs applying at inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently)

Additional Benefits

The insurance under Section 1 is extended to include and We will pay for the following Additional Benefits but the amount paid will form part of and not be additional to the Sum Insured shown on the Schedule for Section 1

1. Architects and professional fees, removal of debris

- a. cost of architects fees, surveyors fees, consulting engineers fees and other professional fees;
- b. cost of removal, storage and/or disposal of debris, being the residue of damaged Insured Property (including debris required to be removed from adjoining or adjacent public or private land), damaged Lessee's and occupiers Contents and of anything that caused the Damage;
- c. cost of dismantling, demolishing, shoring up, propping, underpinning, boarding up or other temporary repairs;
- d. cost of demolition and disposal of any undamaged portion of Your Insured Property including undamaged foundations and footings in accordance with a demolition order issued by a Statutory or Local Government Authority;

You necessarily incur in the Replacement of Damage to Insured Property that arises from any Event not excluded under Section 1 or General Exclusions.

2. Clearing of drains

Reasonable cost of clearing, cleaning and/or repairing drains, gutters, sewers and the like following loss or Damage to Your Insured Property from any Event not excluded under Section 1 or General Exclusions.

3. Claim preparation costs and fees

We will pay You up to £10,000 for the reasonable cost of fees and other expenses You necessarily incur with Our written consent in the preparation of a claim under this Policy.

4. Contractors' interest

When You are required under the terms of a contract condition to effect insurance on Your Insured Property in the names of both You and the contractor We will cover the interest of the contractor as a Joint Insured provided You advise Us with details where the contract value is in excess of £500,000 prior to such work commencing and pay any additional Premium We may require. For the avoidance of doubt, nothing in this clause shall relieve You of the obligation to notify Us, in accordance with Additional Benefit 11 (Workmen), of any proposed work that goes beyond the work permitted by that provision.

5. Emergency cost of minimising losses

Reasonable emergency repair costs You necessarily incur in pursuance of Your duty to minimise insured loss and avoid further losses. We will not pay more than £25,000 unless You first obtain Our written consent prior to You incurring costs in excess of this amount.

6. Government fees, contributions or imposts

Fees, contributions or imposts required to be paid to any statutory, public or local authority to obtain their authority to rebuild, repair or replace Insured Property, but We will not pay for any fine or penalty imposed by any such authority.

7. Legal fees

Legal fees You necessarily incur in making submissions and/or applications to any statutory, public or local authority, or land and environment courts as a result of loss or Damage to Your Insured Property that arises from any Event not excluded under Section 1 or General Exclusions.

8. Storm damage to fences and gates

Loss or Damage to fences and gates as a result of storm and/or tempest, but We will not pay:

- a. if gradually operating causes (such as but not limited to Wear and Tear, gradual corrosion, gradual deterioration, wet or dry rot, rust, vermin or insects) primarily contribute towards the loss or Damage;
- b. unless We are notified and given a reasonable time to inspect the loss or Damage before any repair or Replacement is commenced.

9. Temporary protection

Reasonable cost of temporary protection and safety of Your Insured Property and residents You necessarily incur as a result of loss or Damage by any Event not excluded under Section 1 or General Exclusions. We will not pay more than £2,500 unless You first obtain Our written consent prior to You incurring costs in excess of this amount.

10. Tsunami damage

We will pay for loss or Damage to Insured Property caused by a Tsunami.

11. Workmen

The use of workmen to carry out maintenance, repairs, alterations and minor structural work at Your Situation is permitted. However, You are required to give Us written notice prior to the commencement of all other proposed building work regardless of the contract value. We reserve the right to impose new terms and conditions and/or charge additional Premium.

Special Benefits

The insurance under Section 1 is extended to include and We will pay for the following Special Benefits and the amount paid will be in addition to the Sum Insured shown on the Schedule for Section 1.

1. Alterations / additions

When You make alterations, additions or renovations to Your Insured Property during the Period of Insurance We will pay up to £500,000 for loss or Damage to such alterations, additions or renovations by any Event not excluded by Section 1 or General Exclusions.

We will not pay for loss or Damage that happens during the period such work is being undertaken if, under the terms and conditions of the contract You have signed with the builder, contractor or similar entity, such party is required to effect cover under a contract works or similar insurance policy that insures material damage and liability risks.

2. Arson reward

We will pay a reward of up to £5,000 for information (irrespective of the number of people supplying information) that leads to a conviction for arson, theft, vandalism or malicious damage in connection with an Event not excluded under Section 1 or General Exclusions.

We will pay the reward to the person or persons providing such information or in such other manner as We may decide.

3. Debris removal of fly tipping

We will pay up to £25,000 for the reasonable costs and expenses incurred by You with Our consent in the clearing and removal of any property illegally deposited at Your premises.

4. Disability access modifications

When a Flat is occupied by the Lessee We will pay up to £5,000 for modifications to that Flat if the Lessee is physically injured and becomes a paraplegic or quadriplegic as the direct consequence of loss or Damage to Your Insured Property by any Event not excluded by Section 1 or General Exclusions.

This Benefit only applies if the paraplegia or quadriplegia has continued for a period of not less than six (6) months from the date of the Event and is substantiated by a legally qualified medical practitioner.

5. Electricity, gas, water and similar charges – excess costs

We will pay up to £25,000 for the cost of:

- a. increased usage of metered electricity, gas, sewerage, oil and water;
- b. accidental discharge of metered electricity, gas, sewerage, oil and water;
- c. additional management charges;

You are required to pay following loss or Damage to Your Insured Property by any Event not excluded by Section 1 or General Exclusions.

6. Emergency accommodation

When You occupy Your Flat for residential purposes We will pay up to £500 for the reasonable cost of emergency accommodation You necessarily incur if Your Flat is damaged and made unfit to be occupied for its intended purpose:

- a. by any Event not excluded under Section 1 or General Exclusions; or
- b. if reasonable access to or occupancy of Your Flat is prevented by Damage from such Events happening to other property in the immediate vicinity.

7. Exploratory costs, replacement of defective parts

We will pay for the reasonable exploratory costs You necessarily incur in locating the source of bursting, leaking, discharging or overflowing of tanks, apparatus, pipes or other liquid container apparatus used to hold or carry liquid of any kind.

We will also pay for reasonable costs incurred in:

- a. repairing the area of Insured Property damaged by such exploratory work;
- b. repairing or replacing the defective part or parts of such tanks, apparatus or pipes, to a limit of £500;
- c. rectifying contamination damage or pollution damage to land at the Situation caused by the escape of liquid, to a limit of £500.

8. Fallen trees

We will pay up to £5,000 for the reasonable professional costs You necessarily incur for the removal and disposal of trees or branches that have fallen and caused Damage to Your Insured Property or landscaped gardens.

We will not pay for removal or disposal of:

- a. trees or branches that have fallen and not damaged Your Insured Property or landscaped gardens;
- b. tree stumps or roots.

9. Fire extinguishing

We will pay for the reasonable costs and expenses You necessarily incur in:

- a. extinguishing a fire at the Situation, or in the vicinity of the Situation and threatening to involve Insured Property or for the purpose of preventing or diminishing Damage including the costs to gain access to any property;
- b. replenishing fire fighting appliances, replacing used sprinkler heads, and resetting fire, smoke and security alarm systems;
- c. shutting off the supply of water or any other substance following the accidental discharge or escape of such substances from fire protective equipment.

10. Further investigation costs

- a. Where any of Your Insured Property suffered Damage and in the opinion of a competent construction professional there is a reasonable possibility of other Damage to portions of the same Insured Property that is not immediately apparent We will pay the costs incurred by You with Our prior consent in establishing whether or not such Damage has occurred; and
- b. will also pay the costs incurred by You in establishing whether or not other buildings in the immediate vicinity have suffered Damage in the same incident but only if such buildings are subsequently found to have suffered such Damage for which We are liable under Section 1.

Our limit of liability under this clause shall not exceed £5,000.

11. Inadvertent omission to insure

You having notified Us of Your intention to insure all property in which You have an interest and it being Your belief that all such property is insured, if hereafter any such property shall be found to have been inadvertently omitted, We will deem it to be insured within the terms of Section 1, subject to payment of the Premium on all such property as from the inception of Section 1 or from the date of Your interest in such property if it is erected or purchased after the inception of this policy section but up to a limit of £1,000,000.

12. Landscaping

We will pay up to £25,000 for the reasonable costs You or a Lessee necessarily incur in replacing or repairing damaged:

- a. trees, shrubs, plants, lawns;
- b. rockwork, planters, statues and other ornamental features;

at Your Situation that are lost or damaged by:

- i. any Event not excluded by Section 1 or General Exclusions;
- ii. emergency services.

13. Lessee's fixtures and improvements

We will pay up to £50,000 in respect of any one flat for Lessee's Fixtures and Improvements following loss or Damage by an Event not excluded by Section 1 or the General Exclusions.

14. Money

We will pay up to £5,000 for loss of Your money while in the personal custody of a Director or Officer of Yours, or of Your Property Manager while acting on Your behalf.

We will not pay for fraudulent misappropriation, larceny or theft or any attempt thereof by:

- a. any person in Your employment;
- b. a Lessee, including any family member permanently residing with them; or
- c. a proxy of a Lessee.

15. Mortgage discharge

We will pay up to £2,500 to discharge any mortgage over Your Insured Property if it becomes a total loss, is not replaced and We have paid the amount due under Section 1.

16. Personal property of others

We will pay up to £2,500 for the Indemnity Value of personal property of others (including Employees but excluding Lessees' or Tenants' property) that is lost, damaged or destroyed while in Your physical or legal control by any Event not excluded by Section 1 or General Exclusions.

17. Pets, security dogs

When You occupy Your Flat for residential purposes, We will pay up to £500 a Flat for the reasonable costs You necessarily incur for boarding pets or security dogs if the Flat is rendered unfit for its intended purpose by any Event not excluded by Section 1 or General Exclusions and Temporary Accommodation does not allow pets or security dogs.

18. Privity of Contract

We will pay up to £2,000,000 if the Insured becomes legally liable to indemnify Tenants in respect of repair or Replacement of premises previously owned by the Insured but which are no longer the property of the Insured where the current owner has failed to maintain adequate insurance cover, provided the Insured takes all reasonable and appropriate steps to obtain a release from liabilities under covenants to insure such property on its disposal.

We will not pay for:

- a. loss or Damage from any Event that is excluded by Section 1 or General Exclusions;
- b. any contribution in respect of any insurance effected by any succeeding owner or Tenant or sub-tenant;
- c. any occurrence happening seven years prior to the start date of the current Period of Insurance.

19. Purchaser's interest

We will cover a purchaser's legal interest in Your Insured Property, in the terms of Section 1, when the purchaser has signed an agreement to buy part of or all of such property.

However cover will not apply:

- a. if the purchaser's interests are otherwise insured;
- b. if the purchase is not completed.

20. Records

We will pay up to £25,000 for the reasonable expenditure You necessarily incur in collating information, preparing, rewriting or reproducing records, books of account, Electronic Data and valuable papers directly related to Your Insured Property that are lost or damaged by any Event not excluded by Section 1 or General Exclusions, while anywhere in the United Kingdom.

21. Removal, storage costs

We will pay up to £5,000 for the reasonable costs You necessarily incur in:

- a. removing any undamaged portion of Your Insured Property to the nearest place of safe keeping;
- b. storing such undamaged portion at that place or an equivalent alternate place;
- c. returning such undamaged portion to the Situation when restoration work is completed;

following loss or Damage by any Event not excluded by Section 1 or General Exclusions.

22. Removal of nests

We will pay up to £5,000 for the cost of removing wasps or bees nests from Your Insured Property. We will not pay for the cost of removing any nests that existed prior to the inception of Section 1.

23. Removal of squatters

We will pay up to £5,000 for legal fees You incur to repossess Your Insured Property or a Flat therein if squatters are living in it. We will not pay unless You first obtain Our consent to incur such legal fees.

24. Replacement of keys and locks

We will pay up to £7,500 for the reasonable costs You necessarily incur in:

- a. re-keying or re-coding locks together with replacement keys; or
- b. replacing locks with locks of a similar type and quality if they cannot be re-keyed or re-coded, if keys to Your Insured Property are stolen:
 - i. as a consequence of forcible entry into or out of any building forming part of such property; or
 - ii. as a consequence of forcible entry into or out of the premises of a keyholder;
 - iii. during a hold-up of an occupant who normally has the keys in their possession.

We will not pay if there are reasonable grounds to believe the keys or codes have been stolen or duplicated by any occupant or previous occupant of Your Insured Property, or by their family or friends.

25. Replacement of title deeds

We will pay up to £2,500 for the reasonable costs You necessarily incur in replacing Title Deeds to a Flat or Your Insured Property if they are lost or damaged by any Event not excluded by Section 1 or General Exclusions, while anywhere in the United Kingdom.

26. Sale of property

If You have contracted to sell Your Insured Property and the sale is subsequently delayed or cancelled as a direct result of loss or damage by any Event not excluded by Section 1 or General Exclusions We will, from the date the sale was to have been settled, pay up to £30,000 for:

- a. the actual interest charges You incur on capital borrowed in anticipation of the sale proceeds from Your Insured Property; or
 - b. the loss of actual investment interest lost on the sale proceeds.
- We will not pay unless You make every reasonable effort to complete the sale of Your Insured Property.

27. Temporary accommodation / rent / contributions / storage

a. Temporary accommodation

When You occupy Your Flat We will pay the reasonable cost of Temporary Accommodation You necessarily incur:

- i. if Your Flat is damaged and made unfit to be occupied for its intended purpose by any Event not excluded under Section 1 or General Exclusions; or
- ii. if reasonable access to or occupancy of Your Flat is prevented by Damage from such an Event happening to other property in the immediate vicinity;
- iii. if reasonable access to or occupancy of Your Flat is prevented by the Police Authority due to a danger or disturbance in the immediate vicinity.

We will pay:

- ◆ under a i from the time of the Event until the time You reoccupy Your Flat following completion of rebuilding, repairs or Replacement; and
- ◆ under a ii and a iii from the time of the Event until the time when access to Your Flat is re-established.

b. Rent

When You have leased out or can substantiate by means of a signed agreement that You would have leased out Your Flat or Common Area We will pay the actual Rent You lose or would have lost:

- i. if Your Flat or Common Area is damaged and made unfit to be occupied for its intended purpose by any Event not excluded under Section 1 or General Exclusions; or
- ii. if reasonable access to or occupancy of Your Flat or Common Area is prevented by Damage from such an Event happening to other property in the immediate vicinity;
- iii. if reasonable access to or occupancy of Your Flat or Common Area is prevented by the Police Authority due to a danger or disturbance in the immediate vicinity.

We will pay:

- ◆ under b i from the time of the Event until the time Your Flat or Common Area is relet following completion of rebuilding, repairs or Replacement provided You demonstrate You have taken all reasonable actions to obtain a new Tenant; and
- ◆ under b ii and b iii from the time of the Event until the time when access to Your Flat or Common Area is re-established.

c. Disease, murder and suicide

We will pay for:

- i. the cost of Temporary Accommodation You necessarily incur;
- ii. the actual Rent You lose;

if You are not permitted to occupy Your Flat or Common Area by order of the police, a statutory, public or local authority, other body, entity or person so empowered by law, due to:

- ◆ the discharge, release or escape of Legionella or other airborne pathogens from water tanks, water systems, air conditioning plant cooling towers and the like;
- ◆ a human infectious or contagious disease;
- ◆ murder or suicide;

occurring at Your Situation.

We will pay from the time the order is invoked until the time the order is revoked, or for a period of ninety (90) days, whichever first occurs.

d. Failure of supply services

We will pay for:

- i. the cost of Temporary Accommodation You necessarily incur;
- ii. the actual Rent You lose;

if Your Flat or Common Area is made unfit to be occupied for its intended purpose by the failure of electricity, gas, water or sewerage services resulting from Damage to property belonging to or under the control of any such supply authority by any Event not excluded under Section 1 or General Exclusions.

Provided the failure of services extends for more than forty-eight hours We will pay from the time of the failure until the time such services are reinstated, or for a period of thirty (30) days, whichever first occurs.

e. Cost of re-letting

When You have leased out Your Flat or Common Area We will pay reasonable reletting costs up to £500:

- i. if Your Flat or Common Area is damaged and made unfit to be occupied for its intended purpose by any Event not excluded under Section 1 or General Exclusions; and
- ii. Your Tenant at the time of the Event subsequently advises they will not be reoccupying the Flat or Common Area they previously leased.

f. Contributions and fees

We will pay for contributions, levies, ground rent, service charges and other fees You are required to pay during the period Your Insured Property is made unfit to be fully occupied for its intended purpose by any Event not excluded by Section 1 or General Exclusions.

g. Removal, storage – Lessee's Contents

We will pay the costs You necessarily incur in:

- i. removing undamaged Lessee's Contents to the nearest place of safe keeping;
- ii. storing undamaged Lessee's Contents at that place or an equivalent alternate place;
- iii. returning undamaged Lessee's Contents to Your Situation when occupancy of their Flat is permitted;

following Damage to Your Insured Property from any Event not excluded under Section 1 or General Exclusions that makes the Flat unfit to be occupied for its intended purpose.

The combined total amount We will pay under Special Benefits 27 a) to 27 g) arising out of any Event not excluded under Section 1 or General Exclusions is limited to thirty five percent (35%) of the Sum Insured for Section 1 or such other percentage as We may agree in writing.

28. Tree felling and lopping

We will pay up to £5,000 for the reasonable professional costs You necessarily incur for the removal and lopping of trees or branches that are an immediate threat to the safety of life or Your Insured Property.

We will not pay:

- a. legal or local authority costs involved in removing trees;
- b. costs incurred solely to comply with a preservation order.

29. Unauthorised use of electricity, gas or water

We will pay up to £10,000 for the cost of metered electricity, gas, sewerage, oil and water You are legally required to pay following its unauthorised use by any person taking possession or occupying Your Insured Property without consent.

You must take all practical steps to terminate such unauthorised use immediately You become aware of it.

30. Water removal from basement

We will pay up to £2,500 or the reasonable costs necessarily incurred by the Insured in removing water from the basement or undercroft area of the building if such inundation is directly caused by a storm or a downpour of rain.

We will not pay if the inundation is caused by an Event excluded by Section 1 or General Exclusions.

31. Welfare concern

We will pay up to £5,000 for the reasonable cost You necessarily incur in repairing Damage caused by the police, or others acting under their control, in gaining access to Your Insured Property as a result of their concern for the welfare of an occupant.

We will not pay for any subsequent Damage caused by the police in the course of criminal investigations.

Condition precedent to liability under Section 1

The following conditions precedent apply

1 Flat roof

It is a condition precedent to Our liability in respect of any Damage to flat roofed area (or resulting Damage caused by a failure of a flat roof) by storm, wind or rain of the Insured Property that:

- a. where the original covering of the area or any replacement materials are ten (10) years old or more, such areas are inspected regularly and at intervals of not more than (2) years by a builder with a minimum of ten (10) years' experience in such coverings or a qualified property surveyor; and
- b. any defects discovered during such inspection are remedied within thirty (30) working days or such other period agreed in writing by Us.

Exclusions - what We do not insure

1 We will not pay for loss or damage

- a. caused by Events specifically excluded under clauses a to l of 'General definitions – Accidental Loss or Damage'.
- b. caused by lack of maintenance, rust, oxidation, corrosion, Wear and Tear, fading, gradual corrosion or gradual deterioration, concrete or brick cancer, developing flaws, wet or dry rot, damp or dampness, or failure to maintain Your Insured Property in a reasonably good state of repair.

However We will pay if any of these causes directly result in loss or Damage from any other Event not excluded by Section 1 or General Exclusions.

- c. caused by non-rectification of an Insured Property defect, error or omission that You were aware of, or should reasonably have been aware of.

However We will pay if any of these causes directly result in loss or Damage from any other Event not excluded by Section 1 or General Exclusions.

- d. caused by overwinding, mechanical breakdown or derangement, electrical breakdown or derangement, or failure caused by electric current.

However We will pay if the loss or Damage is due to:

- i. lightning;
- ii. power surge when such Event is confirmed by the supply authority; or
- iii. if fire Damage results.
- e. caused by a change in the water-table level.
- f. caused by vibration or from the removal or weakening of or interference with the support of land or buildings or any other property, or Erosion.

However We will pay if the loss or Damage is due to:

- i. earthquake or seismological disturbance, explosion, physical impact by aircraft;
- ii. bursting, leaking or overflowing of water tanks, pipes, drains, gutters or other water or liquid carrying apparatus.
- g. caused by underground (hydrostatic) water.

However We will pay if the loss or Damage is due to bursting, leaking or overflowing of water tanks, pipes, or drains.

- h. caused by inherent vice, latent defect, vermin, mice, rats, termites, moths, insects, fungus, mildew, or by pecking, biting, chewing or scratching by birds or animals.

However We will pay if any of these causes directly result in loss or Damage from any other Event, such as fire, not excluded by Section 1 or General Exclusions.

- i. caused by the movement of swimming pools or spas or the accidental breakage, chipping or lifting of tiles of swimming pools or spas or their surrounds.
- j. to water in swimming pools, spas or water tanks.
- k. due to normal settling, creeping, seepage, shrinkage, or expansion in buildings, foundations or footings, walls, bridges, roadways, kerbing, driveways, paths, garden borders and other structural improvements.
- l. caused by any process involving the application of heat being applied directly to any part of Your Insured Property.

However We will pay if any other part of Insured Property is damaged or destroyed by fire.

- m. to glass caused by artificial heat, during installation or removal, that has a crack or imperfection, or is required to be insured by any other party in terms of an occupancy agreement.
- n. to carpets and other floor coverings resulting from gradual staining, fading or fraying.

However We will pay if the loss or Damage directly results from any other Event not excluded by Section 1 or General Exclusions.

- o. to boilers (other than boilers used for domestic purposes), economisers or pressure vessels and their contents resulting from the explosion thereof.
- p. to Insured Property if it is vacant and undergoing demolition unless Our written consent to continue cover has been obtained before the commencement of demolition.
- q. caused by frost.
- r. caused by pollution or contamination except Damage to Insured Property by:
 - i. pollution or contamination which itself results from a defined peril;
 - ii. a defined peril which itself results from pollution or contamination;

For the purpose of this exclusion defined peril means fire, lightning, explosion, earthquake, aircraft, other aerial device or satellite or articles dropped therefrom, riot, civil commotion, strikers, locked out workers person taking part in labour disturbances, malicious persons other than thieves, storm, flood, escape of water or oil from any tank or pipe sprinkler, leakage, theft or impact by any Vehicle or animal.

2 We will not pay for:

- a. consequential loss (other than as specifically provided under an operative Additional Benefit or Special Benefit), loss of use or Depreciation.
- b. demolition ordered by any statutory, public or local authority as a result of Your failure, or the failure of anyone acting on Your behalf, to comply with any lawful requirement or due to the incorrect siting of Your Insured Property. Incorrect siting includes, but is not limited to, non-compliance with any planning requirements regarding the size and/or location of the Insured Property, or breach of any restrictive covenant or interference with easements.

- c. Damage to Your Insured Property due to the structure's own collapse or cracking.
- d. the cost of normal maintenance, redecoration or repair.
- e. the cost of rectifying defective design, faulty or defective materials or faulty or defective workmanship.
- f. loss caused by or arising from the dishonesty of Your Employees, officials or committee members.

Claims - how We will settle your claim

Day One cover Claims - How We will settle Your claim

1. Replacement

If Your Insured Property is damaged, We may choose to either rebuild, replace, repair or pay the amount it would cost to rebuild, replace or repair up to the Limit of Indemnity as stated on the Schedule and any applicable inflation protection set out in General Condition 7.

If We choose to rebuild, replace or repair Your Insured Property, the amount We pay under Section 1 will be the cost of Replacement at the time the Accidental Loss or Damage to Your Insured Property occurs, subject to the following provisions:

- i. the necessary work of rebuilding, replacing or repairing (which may be carried out upon another site or in any manner suitable to Your requirements provided Our liability is not increased), must be commenced and carried out without unreasonable delay and no payment shall be made by Us until the costs of this work are actually incurred;
- ii. where Your Insured Property contains any architectural or structural feature of an ornamental, heritage or historical character or where materials used in the original construction are not readily available We will use the nearest equivalent available to the original materials;
- iii. if it is lawful, and with Our prior written consent, You will not be required to actually rebuild any building destroyed but may purchase an alternative existing building or part thereof to replace all or part of the one destroyed. Such Replacement will be deemed to constitute Replacement for the purpose of this insurance provided Our liability is not increased;
- iv. if You cause unreasonable delays in commencing or carrying out Replacement, We will not pay any extra costs that result from that delay;
- v. when We wish to rebuild, replace or repair and You do not want this to occur We will only pay Indemnity Value;
- vi. in the event of Damage, Our liability in respect of Insured Property to which this clause applies will not exceed the Sum Insured in respect of each separate Situation.

We will not pay for the cost to:

- ◆ rebuild or replace undamaged Insured Property;
- ◆ rebuild, replace or repair illegal installations, including any building or part of a building that has been constructed without proper planning permission or in breach of the applicable building regulations.

For each and every claim You have to pay the amount of Excess shown on the Schedule.

Underinsurance

If at the time of loss the Declared Value of the Insured Property is less than the cost of Replacement at inception of the Period of Insurance, then Our liability for any loss hereby insured will be limited to that proportion thereof which the Declared Value bears to the cost of Replacement;

We will not apply this condition subject to:

- a. You providing to Us at Your expense a valuation not more than 3 years old based on the Replacement cost of Your Insured Property that has been professionally compiled by a member of the Royal Institute of Chartered Surveyors or some suitable valuer agreed by Us; and
- b. You have adjusted Your Declared Value from the date of such valuation to take into account alterations and/or other factors affecting such valuation since its date of issue.

2. Undamaged part of insured property, foundations and footings

If Your Insured Property is damaged and any statutory, public or local authority requires Replacement to be carried out on another site We will pay for the value of any undamaged part of Your Insured Property, including foundations and footings, as though they had been destroyed.

If the sale value of the original Situation with such undamaged part is greater than without them We will deduct the amount of such difference from any settlement otherwise payable by Us.

3. Floor space ratio

If Your Insured Property is damaged and Replacement is limited or restricted by any statutory, public or local authority requirement that results in the reduction of the floor space, We will pay:

- a. the difference between:
 - i. the actual costs incurred in Replacement in accordance with the reduced floor space; and
 - ii. the estimated cost of Replacement, to be assessed at the time of Damage, had the limit or restriction on floor space not applied;

or alternatively We will pay:

- b.
 - i. the actual costs incurred in Replacement in accordance with the reduced floor space; plus
 - ii. the cost of purchasing an existing building or part thereof equivalent in size to the area by which the floor space has been reduced; or
 - iii. the cost of purchasing a block of land and the cost of Replacement thereon of Insured Property equivalent in size to the area by which the floor space has been reduced;

provided that Our Liability under a. or b. above does not exceed the estimated cost of Replacement, to be assessed at the time of Damage, had the limit or restriction on floor space not applied.

4. Land value

We will pay the difference between Land Value before and after loss or Damage if any statutory, public or local authority refuses to allow Your Insured Property to be replaced or only allows partial Replacement, less any sum paid by way of compensation by any such Authority.

Special provisions

1. Under Clauses 1 and 2 above, Our liability is limited to the extent to which the Sum Insured for Section 1 is not otherwise expended; and

2. Any differences relating to value may by agreement between Us be referred to the President of the Royal Institution of Chartered Surveyors who will appoint a registered and qualified valuer whose decision will be final and binding and who will at the same time decide as to payment of the costs of such referral.

Special conditions

Excesses

Whenever an Excess is shown on the Schedule, You have to pay or contribute the stated amount for each loss arising out of or consequent upon that Event

Section 2 – Terrorism

What We insure

We will indemnify You in accordance with the terms of this Section 2 for Accidental Loss or Damage caused by an Act Of Terrorism that occurs during the Period of Insurance to:

1. Insured Property covered under Section 1 including:
 - i. Additional Benefits; and
 - ii. Special Benefits thereof;
- provided that the Act Of Terrorism:
- a. occurs in Great Britain (meaning England, Wales and Scotland, but not the territorial seas adjacent thereto, as defined by the Territorial Sea Act 1987, nor Northern Ireland nor the Isle of Man nor the Channel Islands) during the Period of Insurance; and
 - b. is occasioned by or happening through or in consequence of any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence; and
 - c. is certified by HM Treasury or a competent tribunal from time to time as an Act Of Terrorism;

provided that in any action, suit or other proceedings where We allege that any damage or costs and expenses are not covered by this Policy, the burden of proving the contrary will be upon You. However, the burden of proving that an Act Of Terrorism is proximately caused by an organisation controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state will be on Us.

Exclusions - what We do not insure

The following are excluded from the insurance under this section:

1. Virus or similar mechanism, hacking, phishing or denial of service

Any losses whatsoever directly or indirectly caused by 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 which caused:

- a. damage to or the destruction of any Computer System;
 - b. alteration, modification, distortion, erasure, corruption of Data; or
 - c. loss of any money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever;
- whether Your property or not.

This exclusion shall not apply to:

- i) losses which are not proximately caused by an Act Of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state; and
- ii) cost or losses resulting directly from damage to or destruction of Insured Property if any alteration, modification, distortion, erasure or corruption of Data causes, directly or indirectly, any of the Specified Perils which then indirectly result in Specified Losses.

Electronic Data exclusion or any other electronic, digital or cyber liability exclusion in this Policy shall not apply to the extent of loss or liability covered by Section 2 Terrorism

2. Mixed residential and commercial usage

Any land or building which is wholly or partially occupied as a private residence, unless:

- a. insured under the same contract of direct insurance as the remainder of the building which is not a private residence and the commercial element of the building occupies more than twenty percent (20%) of the building; or
- b. not insured in the name of an individual.

For the purpose of this exclusion, a trustee, beneficiary, executor of a will or sole trader is not deemed to be an individual unless they occupy the premises or any part thereof as their own private residence.

3. Nuclear installation or nuclear reactor

Any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor

4. War

Any losses whatsoever occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power.

Special conditions

1. Period of insurance

Where the Period of Insurance shown in the Schedule is for a period greater than twelve (12) months, the cover provided by Section 2 shall only apply for a period of twelve (12) months and shall be subject to renewal at each annual anniversary.

2. Restricted terms

The insurance by Section 2 is subject otherwise to all the terms and conditions of this policy except that any:

- a. long term undertaking;
- b. terms that provide for adjustments of Premium based upon declarations on expiry or during the Period of Insurance;
- c. coverage in respect of premises with locations outside England and Wales and Scotland; will not apply to losses covered under Section 2.

Claims - how We will settle your claim

We will pay for loss or Damage insured by Section 2 in the same manner as if the loss or Damage was to be payable under Section 1.

However, Our liability under this Section 2 in any one (1) Period of Insurance shall not exceed the Sum Insured stated in the Schedule for the applicable insured Section shown as insured in the Schedule in respect of all losses arising out of any one (1) Occurrence and in the aggregate.

Special definitions

The words listed below have been given a specific meaning and apply to Section 2 when they begin with a capital letter.

Act Of Terrorism

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

Computer Systems

Computer Systems means a computer or other equipment or component or system item which processes stores transmits or receives Data.

Data

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

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer Systems. Denial of Service Attack includes, but is 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 or amongst networks and the procurement of such actions or instructions by other Computer Systems

Hacking

Hacking means unauthorised access to any Computer System whether Your property or not.

Nuclear Installation

Nuclear Installation means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for:

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

Nuclear Reactor

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

Occurrence

Occurrence means a single loss or series of losses arising out of and directly occasioned by a single event or a single original cause. However, the duration and extent of any single occurrence shall be limited to all individual losses arising in respect of a continuous Period of seventy two (72) hours of which the proximate cause is the same Act Of Terrorism.

You may choose the date and time when any such period of seventy two (72) hours shall commence provided that no two periods overlap and no period commences earlier than the date and time of the happening of the first recorded individual loss to You as a result of the Act Of Terrorism.

Should any such seventy two (72) consecutive hour period extend beyond the expiry or cancellation date, We shall be liable as if such period had fallen entirely within the Period of Insurance of the Policy.

Phishing

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

Specified Losses

Specified losses means:

- a. the cost of reinstatement, replacement or repair in respect of damage to or destruction of Your Insured Property; or
- b. the amount of business interruption loss suffered directly by you by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Insured Property as a direct result of denial, prevention or hindrance of access to or use of the Insured Property by reason of an Act Of Terrorism causing damage to other property within one mile of the Situation of the Insured Property to which access is affected.

Specified Perils

Specified Perils means fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System, Data or money.

Virus or Similar Mechanism

Virus or Similar Mechanism means program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data or operations, whether involving self-replication or not. Virus or Similar Mechanism includes but is not limited to, trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above

Section 3 – Liability to others

What We insure

We agree to indemnify You to the Limit of Indemnity shown on the Schedule by the terms of Section 3 against legal liability to pay damages, including claimant costs recoverable from You, as a result of Injury, Personal Injury, Damage or Denial of Access:

- a. that occurs during the Period of Insurance and arises out of and in connection with the Business; or
 - b. that occurs during the Period of Insurance arising out of or from or in connection with Your Products; or
 - c. arising out of or from Pollution occurring during the course of Business provided that the Pollution is caused by a sudden, identifiable, unintended and unexpected incident that takes place in its entirety at a specific moment in time and place during the Period of Insurance;
- provided that the maximum We will pay under:
- i. Clause a any one Occurrence is the Limit of Indemnity; but
 - ii. Clauses b or c shall not exceed in the aggregate during any one Period of Insurance the Limit of Indemnity.

Further, following any Occurrence that is or may be the subject of indemnity under Section 3 We agree to indemnify You for Costs and Expenses in addition to the Limit of Indemnity. However, if payment exceeding the Limit of Indemnity has to be made to dispose of a claim then Our liability to pay all Costs and Expenses shall be limited to such proportion of the said Costs and Expenses as the Limit of Indemnity bears to the total amount paid to dispose of the claim.

Additional Benefits

The insurance under Section 3 is extended to include and We will pay for the following Additional Benefits but the amount paid will form part of and not be additional to the Limit of Indemnity shown on the Schedule for Section 3.

1. Appointed representative

At Your request, We will also indemnify Your appointed representative but only to the extent that legal liability arises from their activities or interest in the management of the Insured Property through lease and or statute.

2. Bridges, roadways, kerbing, footpaths, services

We will indemnify You and any Other Insured Party for all sums (including claimants' costs and expenses) that You become legally liable to pay arising from Your ownership of bridges, roadways, kerbing, footpaths, underground and overhead services at the Situation.

3. Car park liability

Compensation You become legally liable to pay for Injury, Personal Injury, Denial of Access or Damage to Vehicles in Your physical or legal control where such Damage occurs in a car park You own at the Situation except that this extension will not apply and We will not pay if the Vehicle is owned or being used by You or is being used on Your behalf.

4. Compensation for court attendance

If at Our request any director, partner or Employee of Yours attends court as a witness in connection with a claim to which You are entitled to indemnity under Section 3 We will compensate You at the following rates per day for each day on which attendance is required:

- a. £500 for You or any of Your directors or partners;
- b. £250 for any Employee.

5. Contractual liability

Where any contract or agreement entered into by You so requires We will:

- a. indemnify You against liability arising in connection with and assumed by You by virtue of such contract or agreement but only so far as concerns liability as defined under Section 3; and
- b. waive rights of subrogation against any party specified in the contract or agreement;

provided that You shall arrange for such other parties as may be indemnified by any such contract or agreement, to observe and fulfil the terms and conditions of this insurance so far as they can apply.

6. Cross liabilities

For each legal entity comprising the Insured, We will separately indemnify each party under Section 3 as if a separate policy had been issued to each but in respect of claims made or brought against any of them by any other Insured Our total liability to all parties, will not exceed the Limit of Indemnity. Further, where You request, We will waive all rights of subrogation against Your subsidiary or from a subsidiary against the parent (You).

7. Data Protection Act 1998

The insurance by Section 3 is extended to indemnify You and if requested by You any Employee in respect of liability under the Data Protection Act 1998 ('DPA') to pay:

- a. compensation in respect of damage or distress under section 13 of Part II of the DPA including defence Costs and Expenses;
- b. defence costs in relation to a prosecution brought under section 21 of Part III of the DPA; in relation to claims made by any person not being an Employee, provided that:
- c. You have registered in accordance with the terms of the DPA;
- d. the claim arises from damage or distress occurring or prosecution commenced during the Period of damage;
- e. this extension will not apply in respect of:
 - i. the cost of replacing, reinstating, rectifying or erasing any personal data;
 - ii. liability caused by or arising from a deliberate or intentional act by or omission of any party entitled to indemnity by this insurance the effect of which will knowingly result in liability under the DPA;
 - iii. claims that arise out of circumstances notified to any previous insurer or of which You knew or were aware of at inception of this policy;
 - iv. liability for which indemnity is provided under any other insurance.

8. Defective Premises Act 1972

The insurance by Section 3 is extended to indemnify You against any liability incurred by virtue of section 3 of the Defective Premises Act, 1972 or section 3 of the Defective Premises Measure (Northern Ireland) 1974 or any amendment thereto in connection with premises that You have disposed of, except that We will not be liable to provide an indemnity for the cost of remedying any defect or alleged defect in such premises.

9. Fertiliser, pesticide, herbicide application

We will indemnify You and any Other Insured Party for all sums (including claimants' costs and expenses) that You become legally liable to pay arising from the application of any fertiliser, pesticide or herbicide to Your building or Common Area.

10. Hiring out of sporting and recreational facilities

We will indemnify You and any Other Insured Party for all sums (including claimants' costs and expenses) that You become legally liable to pay arising from the hiring out of sporting or recreational facilities (such as but not limited to tennis courts or swimming pools) owned by You.

11. Legionella liability

Notwithstanding Exclusion 10, We will indemnify You for all sums (including claimants' costs and expenses) that You become legally liable to pay in respect of any claim(s) first made against You in writing during the Period of Insurance and notified to Us during the Period of Insurance (or within thirty (30) days thereafter) that results from Legionella causing Injury, Personal Injury, Damage or Denial of Access except that We shall not be liable for:

- a. any amount in excess of the sub-Limit of Indemnity of £1,000,000 any one claim and in the aggregate during the Period of Insurance, or as otherwise specified on the Schedule;
- b. any claims that arise out of any circumstances notified to previous insurers or of which You knew or were aware of at the inception of this policy;
- c. any claims for Injury or Personal Injury arising from employment;
- d. any claims made against You for Legionella where the insured Occurrence giving rise to the claim happened prior to the commencement of the Period of Insurance stated on the Schedule.

12. Motor liability

Notwithstanding Exclusion 21, We will indemnify You and any Other Insured Party in respect of liability arising out of or from:

- a. the use of any mechanically propelled vehicle in connection with Your Business; or
- b. the loading or unloading of any mechanically propelled vehicle or trailer when carried out beyond the limits of any carriageway or thoroughfare by a person other than the driver or attendant of any such vehicle or trailer; or
- c. the movement of any mechanically propelled vehicle not owned hired or borrowed by or leased to You or any Other Insured Party on or under any Situation occupied by You where such vehicle is causing an obstruction and interfering with the performance of the Business; or
- d. Damage to visitors' or Employees' mechanically propelled vehicle (including contents and/or accessories) while parked within any car park for which You are responsible or on any Situation occupied by You provided that:
 - i. such vehicle is not lent or hired to You; or
 - ii. the Damage to an Employee's vehicle does not arise out of the maintenance, operation or use of a vehicle by that Employee;

except always that the indemnity provided by this clause excludes liability for which insurance is necessary to comply with the Road Traffic Act 1988 as amended by The Motor Vehicles (Compulsory Insurance) Regulations 1992 or any alteration to such regulations or any similar legislation applying to Northern Ireland, the Isle of Man or the Channel Islands or to any other territory consequent on the Third Council Directive 90/232/EEC of 14/05/1990 relating to insurance against civil liability in respect of the use of motor vehicles or similar legislation in any country outside the European Union.

13. Other insured parties

At Your request, We will separately indemnify each Other Insured Party provided that:

- a. You would have been entitled to indemnity by this insurance had the claim or suit been made against You;
- b. the Other Insured Party is not indemnified under any other insurance or in any other way;
- c. We have the sole conduct and control of any claim;
- d. the Other Insured Party agrees it will be bound by the terms of this policy (other than in respect of Premium) as if it were You.

14. Overseas liability

At Your request the insurance by Section 3 is extended to indemnify You and any of Your Employees or directors (including their family or persons normally resident with them), against legal liability for Injury, Personal Injury or Damage, incurred in a personal capacity while temporarily outside the United Kingdom in connection with the Business, provided that such Injury, Personal Injury or Damage does not arise out of the ownership or occupation of land or buildings.

15. Principals indemnity

At Your request We will indemnify any of Your principals but only to the extent that liability arises solely out of the work performed for the principal by or on Your behalf and provided that:

- a. the principal shall as though he were You observe, fulfil and be subject to the terms and conditions of Section 3 in so far as they can apply; and
- b. any liability under this clause shall in no way operate to increase the Limit of Indemnity; and
- c. the principal is not indemnified under any other insurance or in any other way.

16. Property in Your care, custody and control

Notwithstanding Exclusion 18, Section 3 is extended to indemnify You in respect of liability arising out of or from Damage to personal effects (including Vehicles and their contents) of Your Employees, directors, officials, visitors or guests.

17. Recreational activities

Compensation You become legally liable to pay for Injury, Personal Injury or Damage arising from recreational or social activities arranged for and on behalf of Lessee's and occupiers of Flats.

18. Services

Compensation You become legally liable to pay for Injury, Personal Injury or Damage arising out of the service or services You provide for the benefit, general use and enjoyment of Lessee's and occupiers of Flats at Your Situation.

19. Statutory defence costs including Health and Safety at Work, Etc. Act 1974

We will, with Our prior consent which consent will not be unreasonably withheld, indemnify You and at Your request any Other Insured Party, in respect of legal Costs and Expenses incurred defending:

- a. any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
- b. allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against You or any Other Insured Party; provided that the prosecution or proceedings relate to:
 - i. an offence alleged to have been committed during the Period of Insurance and in the course of Business;
 - ii. Injury to, or potential Injury to persons other than Employees; and, We will also pay You:
 - iii. Costs and Expenses of appeal including appeal against improvement and prohibition notices incurred with Our written consent which consent will not be unreasonably withheld;
 - iv. prosecution costs awarded against You.

The indemnity by this clause excludes and does not cover:

- ◆ circumstances where You or any Other Insured Party are entitled to indemnity by any other legal expenses, motor or employment protection policy;
- ◆ in respect of allegations of manslaughter, corporate manslaughter or corporate homicide, any amount in excess of a Limit of Indemnity of £1,000,000 any one claim or series of claims arising out of the same prosecution or proceedings.

For the avoidance of doubt the under noted statutes, whilst not exhaustive, are included within the statutes or regulations contemplated for which defence costs are insured by this clause:

1. Health and Safety at Work, etc. Act 1974, but only sections 2 to 8;
2. Health and Safety at Work (Northern Ireland) Order 1978;
3. The Trade Description Act 1968;
4. Part II of the Consumer Protection Act 1987;
5. Part II of the Food Safety Act 1990.

20. Terrorism

Notwithstanding Exclusion 22, Section 3 is extended to indemnify You in respect of liability arising out of or from or caused by an act of Terrorism provided that the Limit of Indemnity under this clause will not exceed £2,000,000 arising out of one Occurrence.

21. Watercraft

Notwithstanding Exclusion 2, Section 3 is extended to indemnify You in respect of compensation You become legally liable to pay for Injury, Personal Injury or Damage arising from any Watercraft (not exceeding eight (8) metres in length) owned by You, in Your possession or physical or legal control.

22. Wheelchairs, garden equipment, other vehicles

Compensation You become legally liable to pay for Injury, Personal Injury or Damage arising from any wheelchair, garden equipment including lawn mowers, golf cart, golf buggy or other Vehicle owned by You, in Your possession or physical or legal control.

We will not pay if any such item is or should have been registered and/or insured under legislation in United Kingdom.

Exclusions - what We do not insure

We will not pay for any claim for:

1. Advice, design or plans provided for a fee

any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by You for a fee.

2. Aircraft and watercraft

any loss arising out of or from the ownership, possession or use of any aircraft or other aerial device or satellite, or any Watercraft.

3. Asbestos

liability arising from or caused by any work involving the manufacture, mining, processing, use, installation, storage, removal, stripping out, demolition, disposal, distribution, inspection or testing of or exposure to asbestos, asbestos fibres, asbestos dust, or asbestos containing materials.

4. Damages arising from a deliberate act

Injury, Personal Injury, Damage or Denial of Access and any associated Costs and Expenses, either expected or intended by You or Other Insured Party but this exclusion does not apply to Injury resulting from the use of reasonable force to protect persons or property.

5. Cost of recall or guarantee

expenditure, whether incurred by You or others, for the withdrawal, recall, disposal, removal, repair, adjustment, alteration, reconditioning, replacement, reinstatement of any product or part thereof and/or from financial loss consequent upon the necessity for such withdrawal, recall, disposal, removal, repair, adjustment, alteration, reconditioning, replacement and reinstatement.

6. Electronic data

liability:

- a. arising from loss, alteration or impairment of, or Damage to, information and/or data in electronic form;
- b. arising from malicious acts of any person carried out by electronic means;
- c. for defamation or harassment carried out by electronic means;

but this exclusion shall not apply in respect of liability for any ensuing accidental Injury (save for mental injury or mental disease) or accidental Damage that is not otherwise excluded.

7. Employment practices dispute

liability that arises out of:

- a. a dispute between an employer / prospective employer and Employee / prospective Employee referred or capable of being referred to an Employment Tribunal including such appeal courts or tribunals as are available from an Employment Tribunal as provided by the Employment Rights Act 1986; or
- b. a settlement or adjudication of or under the auspices of an Employment Tribunal or the Advisory, Conciliation and Arbitration Service (ACAS);

and liability by Clause 7 a or 7 b that is capable of being insured under a generally available Employment Practices Liability Insurance Policy.

8. Fines, penalties or multiplication of compensatory damages

- a. fines or penalties;
- b. punitive damages, exemplary damages, aggravated damages, treble damages, or any other increase in damages resulting from the multiplication of compensatory damages;
- c. remediation costs or other charges imposed by the Environment Agency or any successor body.

9. Intentional disregard of reasonable precautions

any insured Occurrence or loss arising or arising out of or continuing from Your deliberate, conscious or intentional disregard of the need to take all reasonable precautions to prevent an insured Occurrence or loss arising or continuing.

10. Legionella

any bodily Injury, personal Injury, Damage or denial of access arising out of legionella except as provided under Additional Benefit 11.

11. Liability from employment

Injury sustained by any Employee arising out of or in the course of employment by You in the Business.

12. Libel or slander

Liability arising out of the publication or utterance of a defamation, libel or slander:

- a. made prior to the commencement of Section 3; or
- b. made by You or at Your direction when You knew it to be false.

13. Limit of Indemnity

liability in excess of the Limit of Indemnity stated on the Schedule except for payment of Costs and Expenses as provided for under the clause: 'What we insure'.

14. Liquidated damages

any loss arising out of or from any liquidated damages clauses or penalty clauses or performance warranties in any contract or agreement that You or an Other Insured Party has entered into unless it is proven that, and then only to the extent that, liability would have attached in the absence of such clauses or warranties.

15. Marinas, wharves, jetties

liability arising out of or in connection with the ownership of marinas, wharves, jetties, docks, pontoons or similar type facilities (whether fixed or floating) if such facilities are used for commercial purposes or provide fuel distribution facilities.

16. Nuclear risks

- a. loss or destruction of or Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss;
- b. any legal liability of whatsoever nature;
- c. any sum that You become legally liable to pay or any loss or expense;

directly or indirectly caused by or contributed to by or arising from or attributable to Nuclear Hazards.

17. Owned or previously owned premises

loss or liability for Damage or Denial of Access to land or premises (including land or water within or below the boundaries of such land or premises) that are presently or were at any time previously owned, leased, hired or tenanted by You, save only to the extent provided under Additional Benefit 8.

18. Property in the Insured's care, custody and control

Damage to property owned, leased, hired or held in trust by You or under hire purchase or on loan to You or held otherwise in Your care, custody or control except as provided under Additional Benefit 16.

19. The product itself

liability for Damage to Your product or any part thereof arising from a defect or unsuitability thereof and pure financial loss arising therefrom.

20. United Kingdom jurisdiction restriction

liabilities in respect of any judgment, award, payment or settlement delivered, made or incurred under the laws or jurisdiction of any country outside the United Kingdom (or to any order made anywhere in the world to enforce such judgment, award, payment or settlement either in whole or in part that was made outside the United Kingdom).

21. Use or ownership of mechanically propelled vehicles

Injury, Damage or Denial of Access arising out of or from the ownership, maintenance, operation or use of any mechanically propelled vehicle by or on Your behalf or any Other Insured Party except as provided under Additional Benefit 12.

22. War and terrorism

Injury, Personal Injury, Pollution, Damage or Denial of Access directly or indirectly caused by or contributed to by or arising from War or Terrorism except as provided under Additional Benefit 20.

Special definitions

The words listed below have been given a specific meaning and apply to Section 3 when they begin with a capital letter.

Denial of access

Denial of Access means nuisance, trespass, or interference with any easement, right of air, light, water or way.

Personal Injury

Personal Injury means:

- a. false arrest, wrongful detention, false imprisonment or malicious prosecution;
- b. wrongful entry or eviction or other invasion of the right of privacy;
- c. a publication or utterance of defamatory or disparaging material;
- d. assault and battery not committed by You or any Lessee or at Your or their direction unless committed for the purpose of preventing or eliminating danger to person or property;

that happens during the Period of Insurance anywhere in the United Kingdom.

Pollutants, Pollution

Pollutants, Pollution means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Product

Product means any property (including packaging, containers, labels and instructions for use) after it has left the custody or control of the Insured that has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured.

Property Damage

Property Damage means loss of use of tangible property that has been lost, destroyed or damaged and happens during the Period of Insurance anywhere in the United Kingdom.

Work away

Work Away means work, operations, installation or services performed by or on Your behalf but not on Your premises.

Section 4 – Employers' liability

What We insure

We will indemnify You up to the Limit of Indemnity shown on the Schedule for all sums that You become legally liable to pay as damages, including claimant costs recoverable from You, arising out of Injury caused during the Period of Insurance and sustained by an Employee in the course of employment by You in the Business except that where such employment is undertaken temporarily outside the United Kingdom:

- a. the Employee must ordinarily be resident within the United Kingdom at the time the Injury is caused; and
- b. the Employee must be intending to return to the United Kingdom following completion of the temporary overseas employment, and the temporary overseas employment outside the United Kingdom is not intended or planned to exceed twelve (12) months duration.

Following any Occurrence that is or may be the subject of indemnity under the above clause whether or not Injury has occurred, We agree to indemnify You for Costs and Expenses but the Costs and Expenses form part of the Limit of Indemnity and do not increase the Limit of Indemnity.

Additional Benefits

The insurance under Section 4 is extended to include and We will pay for the following Additional Benefits but the amount paid will form part of and not be additional to the Limit of Indemnity shown on the Schedule for Section 4.

1. Compensation for court attendance

If at Our request any director, partner or Employee of Yours attends court as a witness in connection with a claim to which You are entitled to indemnity under Section 4 We will compensate You at the following rates per day for each day on which attendance is required:

- a. £500 for You or any of Your directors or partners;
- b. £250 for any Employee.

2. Contractual liability

Where any contract or agreement entered into by You in connection with the Business so requires We will:

- a. indemnify You against liability arising in connection with the Business and assumed by You by virtue of such contract or agreement but only so far as concerns liability as defined under Section 4; and
- b. waive rights of subrogation against any party specified in the contract or agreement;

provided that You shall arrange for such other parties as may be indemnified by any such contract or agreement, to observe and fulfil the terms and conditions of this insurance so far as they can apply.

3. Cross liabilities

For each legal entity comprising the Insured, We will separately indemnify each party under Section 4 as if a separate policy had been issued to each, provided that in respect of claims made or suits brought against any of them by any other person Our total liability to all parties will not exceed the Limit of Indemnity.

4. Data Protection Act 1998

We will indemnify You and if You so require any Employee in respect of their liability under the Data Protection Act 1998 ('DPA') to pay:

- a. compensation in respect of damage or distress under section 13 of Part II of the DPA including defence Costs and Expenses;
- b. Defence Costs in relation to a prosecution brought under section 21 of Part III of the DPA; in relation to claims made by an Employee, provided that:
- c. You have registered in accordance with the terms of the DPA;
- d. the claim arises from damage or distress caused or prosecution commenced during the Period of Insurance.

This extension will not apply in respect of:

- i. the cost of replacing, reinstating, rectifying or erasing any personal data;
- ii. liability caused by or arising from a deliberate or intentional act by or omission of any party entitled to indemnity by this insurance the effect of which will knowingly result in liability under the DPA;
- iii. claims that arise out of circumstances notified to any previous insurer or known to You at inception of this policy;
- iv. liability for which indemnity is provided under any other insurance.

5. Indemnity to other parties

At Your request, We will separately indemnify each Other Insured Party provided that:

- a. You would have been entitled to indemnity by this insurance had the claim or suit been made against You;
- b. the Other Insured Person is not indemnified under any other insurance or in any other way;
- c. We have the sole conduct and control of any claim;
- d. the other insured party agrees it will be bound by this policy (other than in respect of premium) as if they were You

6. Injury to working partners

If any working partner named on the Schedule sustains Injury We will deem such partner to be an Employee provided that We shall only be liable where:

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

7. Medical treatment

This insurance extends to indemnify You and any medical doctor or dentist employed by You in respect of liability to any person under a contract of service or apprenticeship with You resulting from treatment given provided that any such doctor or dentist shall as though they were You be subject to the terms of this Policy so far as they can apply.

8. Principals

At Your request We will indemnify any of your principals but only to the extent that liability arises solely out of the work performed for the principal by You or on Your behalf and provided that:

- a. the principal shall as though he were You observe, fulfil and be subject to the terms and conditions of this Policy in so far as they can apply; and
- b. Our liability under this clause shall in no way operate to increase the Limit of Indemnity;
- c. the principal is not indemnified under any other insurance or in any other way.

9. Statutory defence costs including Health and Safety at Work, Etc. Act 1974

We will, with Our prior consent which consent will not be unreasonably withheld, indemnify You and at Your request any Other Insured Party, in respect of legal Costs and Expenses incurred defending:

- a. any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
- b. allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against You or any Other Insured Party;

provided that the prosecution or proceedings relate to:

- i. an offence alleged to have been committed during the Period of Insurance and in the course of Business; and
 - ii. Injury to, or potential Injury to persons other than Employees;
- and, We will also pay You:
- iii. Costs and Expenses of appeal including appeal against improvement and prohibition notices incurred with Our written consent which consent will not be unreasonably withheld;
 - iv. costs awarded against You.

The indemnity by this clause excludes and does not cover:

- v. circumstances where You or any Other Insured Party are entitled to indemnity by any other legal expenses, motor or employment protection policy;
- vi. in respect of allegations of manslaughter, corporate manslaughter or corporate homicide, any amount in excess of £1,000,000 any one claim or series of claims arising out of the same prosecution or proceedings.

For the avoidance of doubt the under noted statutes, whilst not exhaustive, are included within the statutes or regulations contemplated for which defence costs are insured by this clause:

- 1 Health and Safety at Work, etc. Act 1974, but only sections 2 to 8;
- 2 Health and Safety at Work (Northern Ireland) Order 1978;
- 3 The Trade Description Act 1968;
- 4 Part II of the Consumer Protection Act 1987;
- 5 Part II of the Food Safety Act 1990.

10. Unsatisfied court judgments

In the event of a judgment for damages being obtained:

- a. that arises out of and in the course of his employment by You in the Business, against any person operating from premises in the United Kingdom; and
- b. that remains unsatisfied in whole or in part six (6) months after the date of such judgment; in any court of law except a court operating under the laws of North America;

then at Your request, We will pay the amount of damages or costs awarded to the Employee or the personal representatives of the Employee to the extent that they remain unsatisfied provided that:

- i. there is no appeal outstanding; and
- ii. the judgment relates to Injury that would otherwise be indemnified by Section 4 had the claim been made against You; and
- iii. We will be entitled to take over and prosecute for Our own benefit any claim against any other person and You, the Employee or the personal representatives of the Employee will give Us all the information and assistance We may require; and
- iv. the indemnity provided by this Additional Benefit will not apply to any claim arising out of any mechanically propelled vehicle for which insurance under any Road Traffic Act legislation is required.

11. War or Terrorism

The insurance under Section 4 will cover liability to an Employee arising from or caused by any act of War or Terrorism provided that the Limit of Indemnity under this clause will not exceed:

- a. £5,000,000 anywhere in the world except in travel to, travel in, travel from or working in a Hostile Territory; or
- b. £1,000,000 arising directly or indirectly whilst in travel to, travel in, travel from or working in a Hostile Territory; in respect of:
 - i. any one claim against You or series of claims against You; and
 - ii. any claim or series of claims made by You under Section 4;

arising out of one Occurrence

But where an Employee is already working in a territory that is subsequently declared to be a Hostile Territory the Limit of Indemnity will remain at £5,000,000 provided You take all reasonable steps immediately following the declaration to repatriate the Employee or to remove the Employee to a safe location as determined by the local peace force or the Foreign & Commonwealth Office.

Exclusions - what We do not insure

Section 4 excludes and does not cover:

1. Employment practices dispute

liability that arises out of:

- a. a dispute between an employer / prospective employer and Employee / prospective Employee referred or capable of being referred to an Employment Tribunal including such appeal courts or tribunals as are available from an Employment Tribunal as provided by the Employment Rights Act 1986; or
- b. a settlement or adjudication of or under the auspices of an Employment Tribunal or the Advisory, Conciliation and Arbitration Service (ACAS);

and is or is capable of being insured under a generally available Employment Practices Liability Insurance Policy but this exclusion shall not apply in respect of compensatory damages for Injury required by the Employers' Liability (Compulsory insurance) Regulations 1998.

2. Fines and penalties

liability for payment of any fines or penalties imposed or ordered to be paid.

3. Jurisdiction

liability for payment of any judgment, award, payment or settlement made within countries that operate under the laws of any country outside the states of the European Union (or to any order made anywhere in the world to enforce such judgment, award, payment or settlement either in whole or in part) unless otherwise stipulated on the Schedule.

4. Limit of Indemnity

liability in excess of the Limit of Indemnity stated on the Schedule.

5. Nuclear Hazards

liability that attaches by or arising from the terms of any contract (other than contracts of employment between You and Your Employees) or agreement for Injury caused by Nuclear Hazards.

6. Road traffic legislation

liability for Injury sustained by an Employee when the Employee is:

- a. being carried in or upon a Vehicle; or
- b. entering or getting onto or alighting from a Vehicle:

in circumstances where insurance or security is required to be effected by You to comply with the Road Traffic Act 1988 as amended by The Motor Vehicles (Compulsory Insurance) Regulations 1992 or any alteration to such regulations or any similar legislation applying to Northern Ireland, the Isle of Man or the Channel Islands or to any other territory consequent on the Third Council Directive 90/232/EEC of 14/05/1990 relating to insurance against civil liability in respect of the use of motor vehicles.

7. War and act of terrorism

liability that arises directly or indirectly out of or caused by War or Terrorism except that this exclusion shall not apply in respect of and to the extent of the indemnity provided by Additional Benefit 11.

8. Work outside the United Kingdom

liability for Injury sustained by an Employee whilst on a temporary visit outside the United Kingdom in respect of the performance of manual work except that this exclusion shall not apply to work of collection or delivery of goods or the erection and dismantling of estate agency boards or signs.

9. Workman's compensation or social security payment

liability for any claims arising out of Injury that are payable by reason of any workman's compensation scheme, social security scheme or similar insurance scheme arising in connection with, from or due to employment but this exclusion will not apply to payments required to be made to the Compensation Recovery Unit or its successor.

Special Conditions

1. Conflict of interest

In the event of a conflict of interest between You and any Other Insured Party indemnified by this insurance separate representation will be arranged for each party.

2. Employers' Liability (Compulsory Insurance) Act 1969

The indemnity granted by Section 4 is deemed to be in accordance with the provisions of the Employers' Liability (Compulsory Insurance) Act 1969 and the Employers Liability (Compulsory Insurance) Regulations 1998 or any subsequent amendment or re-enactment or similar legislation in Northern Ireland, the Isle of Man and the Channel Islands. Where any condition precedent, exclusion, term or condition of this Policy is deemed prohibited by the act or regulations, then We will provide an indemnity to the Employee under the terms of this insurance but You will repay to Us that part of Our indemnity for which We would not otherwise have been liable under Section 4 by reason of any such breach of condition precedent, term, condition or exclusion.

3. Recovery of benefits

In the event that Your liability in damages is reduced because benefits and/or charges included in the damages are to be paid under statute to the Compensation Recovery Unit or its successor, Your liability in damages for the purposes of this insurance will be deemed to include such benefits and charges.

Section 5 – Directors and Officers legal liability

This Directors and Officers Legal Liability section is issued on a claims made basis. This means Section 5 responds to Claims first made against You during the Period of Insurance but also notified to Us during that Period of Insurance or notified to Us within thirty (30) days after the expiry of the Period of Insurance.

What We insure

We will pay:

1. on Your behalf, all Loss for which You are not indemnified by the Insured or any other party; or
2. on behalf of the Insured all Loss for which they grant indemnification to You, as permitted or required by law, or for which the Insured is vicariously liable at law;
3. on behalf of the Insured, all Loss;

arising from any Claim:

- a. first made against:
 - i. You, individually or otherwise; or
 - ii. the Insured;

during the Period of Insurance; and

- b. reported to Us during the Period of Insurance or within thirty (30) days thereafter.

Except as provided by Special Benefit 2 of Section 5, each and every Claim that does not satisfy all the conditions of this Insuring Clause a and b are excluded and not covered by Section 5.

The amount payable in respect of all Claims under Section 5 will not in the aggregate exceed the Limit of Indemnity stated on the Schedule, inclusive of claimant's costs and expenses and Defence Costs incurred by Us, during the currency of any one Period of Insurance.

Special Benefits

1. Payment of defence costs

We agree that in relation to any Claim under Section 5:

- a. where indemnity has been confirmed by Us in writing, We will pay Defence Costs arising from such Claim;
- b. where indemnity has not been confirmed by Us in writing, We will:
 - i. where We elect to conduct the defence or settlement of such Claim, pay Defence Costs arising from such Claim; or
 - ii. in any other case, We may at Our discretion pay the Defence Costs arising from such Claim.

Provided always that in the event the Claim is withdrawn or that indemnity under Section 5 is subsequently withdrawn or denied, We will cease to advance Defence Costs and You or the Insured will refund any Defence Costs advanced by Us to the extent that We are satisfied that You or the Insured were not entitled to such Defence Costs, unless We agree in writing to waive recovery of such Defence Costs.

We further agree in relation to any potential Claim under Section 5 to pay Defence Costs in relation to any Inquiry relating to Manslaughter Allegations.

2 Continuous cover

We agree that should a Claim, fact or circumstance arise that should have been or could have been notified to Us during a previous Period of Insurance of Section 5, or under an earlier Directors and Officers Legal Liability Insurance Policy issued by Us, We will accept the notification of such Claim, fact or circumstance under the current Period of Insurance provided always that:

- a. We have continuously been the Insurer under a Directors and Officers Legal Liability Insurance Policy between the date when such notification should have been given and the date when such notification was in fact given; and
- b. the terms and conditions applicable to Special Benefit 2 and to that notification will be the terms and conditions, including the Limit of Indemnity and deductible, applicable to Our Directors and Officers Legal Liability Insurance Policy under which the notification should have or could have been given.

3 Extended period of cover

We agree that:

- a. should a Claim, fact or circumstance arise within a period of thirty (30) days following the expiry date of Section 5; but before renewal instructions have been given to Us; and
- b. should You or the Insured notify Us of the Claim, fact or circumstance arising within a period of thirty (30) days following the expiry date of Section 5; and
- c. You or the Insured provide renewal instructions to Us within the same period; then We will accept the notification of such Claim, fact or circumstance under Section 5 except that the terms and conditions applicable to Special Benefit 3 - Extended period of cover will be the terms and conditions, including the Limit of Indemnity and deductible, applicable to the policy that has just expired and not the terms and conditions of the policy applying subsequent to renewal.

Exclusions - what We do not insure

Section 5 excludes and We will not pay for:

1. Claims arising from circumstances that You or the Insured knew of prior to the inception of Section 5, or a reasonable person in the circumstances could be expected to know, to be circumstances that may give rise to a Claim against You or the Insured including any Claim made or threatened or in any way intimated on or before the inception date except as otherwise provided in Special Benefit 2 of Section 5.
2. Claims resulting from any dishonest or fraudulent act, criminal act or malicious act or omission of Yours or of the Insured or of any person at any time employed by You or the Insured, but this exclusion will not apply to:
 - a. the costs incurred by You or the Insured in successfully defending any Claim; or
 - b. Defence Costs relating to Manslaughter Allegations.
3. Claims for death, bodily Injury, sickness, disease, or Damage to property. However this exclusion will not apply to loss or Damage to Documents entrusted to You or the Insured or for which You or the Insured are responsible, or costs and expenses incurred by in replacing or restoring such Documents.
4. Claims resulting from Your or the Insured's intentional decision not to effect and maintain insurances as required by any lease, statute or legislation applying where Your Insured Property is situated.
5. Claims arising out of a publication or utterance of a libel or slander or other defamatory or disparaging material.
6. fines, penalties, punitive or exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.
7. Claims resulting from You or the Insured gaining or having gained any personal profit or advantage to which You or the Insured were not legally entitled or for which You may be held accountable to the Insured.
8. Claims resulting out of monies or gratuity given to You without authorisation by the Insured where such authorisation is necessary pursuant to the Articles of Association or prescribed law.
9. Claims resulting out of a conflict of duty or interest of Yours or of the Insured.
10. Claims resulting out of any intentional exercise of Your powers for a purpose other than the purpose for which such powers were conferred by the Articles of Association.
11. Claims first notified to Us after the expiry of Section 5, except as otherwise provided in Insuring Clause b of Section 5 and Special Benefit 3 of Section 5.
12. Claims brought against Your Property Manager or any other contracted entity when acting in their professional capacity.
13. Claims brought against You or the Insured in a Court of Law and Jurisdiction outside the United Kingdom.
14. Claims brought directly or indirectly arising out of any Pollution except that this exclusion does not apply to:
 - a. any Claim brought by the Insured's shareholders (without any procurement or instigation by You or an agent of the Insured) on the basis solely that Pollution has caused a loss in the value of the share capital of the Insured; or
 - b. Defence Costs incurred in defending a Claim brought in a member state of the European Union up to the sub Limit of Indemnity specified on the Schedule.
15. any Claim arising from a Wrongful Act committed after an Insolvency Event.
16. any Claim made against the Insured arising from:
 - i. the provision of or failure to provide professional services;
 - ii. a breach of any contract or agreement, either oral or written, except to the extent the Insured would have been liable in the absence of the contract or agreement;
 - iii. any form of invasion of privacy, plagiarism or breach of copyright or trademark, patents, database right, registers design or design right;
 - iv. any breach of any regulatory, statutory or common law aimed at preventing monopolies, price, discrimination, fixing of prices or other unfair trade practices;
 - v. any claim brought by and maintained by any past, present, future or prospective employee against the Insured based on any actual or alleged wrongful dismissal, discharge or termination of employment, breach of any oral or written employment contract or quasi employment contract, employment related misrepresentation, violation of employment, discrimination of laws (including work place harassment) wrongful failure to promote, wrongful discipline, wrongful deprivation of a career opportunity, negligent evaluation, invasion of privacy, employment related defamation or employment related infliction of emotional distress.

Special conditions

Defence and settlement

If You or the Insured refuse to consent to any settlement recommended by Us and elect to continue any legal proceedings in connection therewith, Our liability for the Claim will not exceed the amount for which the Claim could have been settled including the costs and expenses incurred up to the date of such refusal.

Reporting and notice

A Claim will be considered to have been first reported to Us:

- a. at the time You or the Insured first give written notice to Us that a Claim has been made against You or the Insured for such Wrongful Act; or
- b. at the time You or the Insured first give written notice to Us:
 - i. of circumstances having the potential of giving rise to a Claim being made against You or the Insured;
 - ii. of the receipt of written or oral notice from any party that it is the intention of such party to hold You or the Insured responsible for such Wrongful Act;

whichever first occurs.

Severability and non-imputation

We agree that where Section 5 insures more than one party, any conduct on the part of any party or parties whereby such party or parties:

- a. made a misrepresentation to Us before this contract of insurance was entered into; or
- b. failed to comply with any terms or conditions of Section 5;

will not prejudice the right of the remaining party or parties to indemnity as may be provided by Section 5.

Provided always that:

- i. such remaining party or parties be entirely innocent of and have no prior knowledge of any such conduct; and
- ii. as soon as is reasonably practicable upon becoming aware of any such conduct advise Us in writing of all known facts in relation to such conduct.

Special definitions

The words listed below have been given a specific meaning and apply to Section 5 when they begin with a capital letter.

Claim(s)

Claim(s) means:

- a. a written or verbal allegation of any Wrongful Act; or
- b. a civil proceeding commenced by the service of a complaint, summons, statement of Claim or similar pleading alleging any Wrongful Act; or
- c. a criminal proceeding commenced by a summons or charge alleging any Wrongful Act.

Defence Costs

Defence Costs means costs, charges and expenses (other than remuneration payable to You, the Insured or the Insured's Employees) incurred by Us or with Our written consent (such consent not to be unreasonably withheld) in the investigation, defence, monitoring or settlement of any Claim or proceedings and appeals therefrom together with the costs of appeal.

Director or Officer

Director or officer means:

- a. a person who is, has been or who may become appointed or elected to act as a Director or Officer on behalf of the Insured;
- b. a Property Manager appointed as an agent of a Director or Officer;
- c. a person invited by a Director or Officer to assist in the management of the Insured's affairs;
- d. an Employee of the Insured who is named as a co-defendant with any Director or Officer;
- e. a persons estate, heirs, legal representative or assigns of any of the above if they are incompetent, insolvent or bankrupt;

but not including a Property Manager, auditor, liquidator, administrator, receiver or any other contracted entity when acting in their professional capacity.

Documents

Documents means deeds, wills, agreements, maps, plans, records, books, letters, certificates, forms and documents of any nature whether written, printed or reproduced by any other method but does not include currency notes or negotiable instruments of any kind.

Inquiry

Inquiry shall mean any formal or official investigation, examination or inquiry into the affairs of the Insured, including any industry-wide inquiry, or inquiry relating to Manslaughter Allegations, or Your conduct in the capacity as a Director or Officer:

- a. that is instigated by a person or institution that is empowered to conduct the investigation, examination or inquiry; and
- b. that You or the Insured are required to attend or are compelled to attend.

Insolvency Event

Insolvency Event in relation to the Insured means:

- a. an application being made for an administration order or the purported appointment of, or the filing at court or issue of any notice of intention to appoint, an administrator in relation to the Insured or any of its subsidiary undertakings;
- b. a petition being presented, a meeting being convened or an effective resolution being passed otherwise than with the prior written consent of the Insured as part of a solvent reconstruction or amalgamation for the winding up of the Insured or any of its subsidiary undertakings;
- c. possession being taken of, or a receiver, sequestrator or similar officer being appointed in respect of, the whole or any part of the assets or undertaking of the Insured or any of its subsidiary undertakings;
- d. a distress, execution or other legal process being levied against any of the assets of the Insured or any of its subsidiary undertakings and not being discharged or paid out in full within three days;
- e. the Insured or any of its subsidiary undertakings suspending or threatening to suspend payment of its debts as they fall due or being, or likely to become unable to pay its debts, whether within the meaning of section 123 Insolvency Act 1986 or otherwise;
- f. the directors of the Insured or any of its subsidiary undertakings making a proposal that it enter into a voluntary arrangement (within the meaning of section 1 Insolvency Act 1986) or taking any steps to obtain a moratorium under section 1A of that Act or its taking or being subject to any proceedings under the law for the readjustment, rescheduling or deferment of all or any of its debts, or proposing or entering into any general assignment; or
- g. the Insured or any of its subsidiary undertakings ceasing or threatening to cease to carry on all or a substantial part of its Business or operations, or selling, transferring or otherwise disposing of the whole or a substantial part of its undertaking or assets, either by a single transaction or by a number of transactions; or
- h. the occurrence in respect of the Insured or any of its subsidiary undertakings of any event in any jurisdiction to which it is subject having an effect similar to that of any of the events referred to in paragraphs a) to g) above.

Loss

Loss means the amount payable in respect of a Claim made against You or the Insured for a Wrongful Act and will include damages, judgements, settlements, orders for costs and Defence Costs.

Manslaughter Allegations

Manslaughter Allegations shall mean allegations brought or made against You and/or the Insured of involuntary manslaughter, constructive manslaughter or gross negligence manslaughter, or any other act constituting an offence under the UK Corporate Manslaughter and Corporate Homicide Act 2007, or a breach of Health and Safety at Work Act 1974 legislation or any similar legislation in any other jurisdiction.

Pollutant

Pollutant means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste. Waste is deemed to include materials to be recycled, reconditioned or reclaimed. Legionella bacteria are deemed not to be pollutants for the purpose of this insurance.

Pollution

Pollution means:

- a. the actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of Pollutants at any time;
- b. any cost, expense, claim or suit arising out of any request, demand or order as a result of actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of Pollutants at the time that the Insured tests for, monitors, cleans up, removes, contains, treats, detoxifies, or neutralises or in any way respond to, or assess the effects of Pollutants.

Wrongful Act

Wrongful Act means any error, misstatement, act or omission, or neglect or breach of duty made, committed, attempted or allegedly made, committed or attempted by You or the Insured or any matter claimed against You solely by reason of You serving as a Director or Officer of the Insured.

Where any such Wrongful Act results in more than one Claim, all such Claims will jointly constitute one Loss and be deemed to have originated in the earliest Period of Insurance in which any of such Wrongful Acts are first reported to Us.

Section 6 – Machinery breakdown

What We insure

We insure You against Insured Damage that occurs during the Period of Insurance provided that the Insured Item is within Your Situation.

The amount We pay will:

- a. be calculated in accordance with the clause herein titled 'Claims - how we will settle your claim';
- b. be subject to the application of any Excess shown on the Schedule; and
- c. will not exceed the Sum Insured shown on the Schedule.

Additional Benefits

The insurance under Section 6 is extended to include and We will pay for the following Additional Benefits but the amount paid will form part of and not be additional to the Sum Insured shown on the Schedule for Section 6.

We will pay for the reasonable cost of:

1. expediting repair including overtime working;
2. express or air freight;
3. replacing oil and refrigerant gas from air-conditioning units or refrigeration units;
4. hiring a temporary replacement item provided such cost is necessary to maintain a vital service provided by You.

These costs must be incurred as the result of Insured Damage.

Exclusions - what We do not insure

We will not pay for:

1. Damage caused by or arising from:

- a. Wear and Tear, smut, smoke, soot, rust, corrosion, oxidisation or scale formation;
- b. Erosion, Earth Movement, sea, high water, high tide, storm surge, tidal wave or Flood;
- c. an Event that is claimable under Section 1;
- d. chipping, scratching or discolouration of painted, polished or finished surfaces;
- e. the deterioration of any pre-existing crack, fracture, blister, lamination, flaw or grooving that had not previously penetrated completely through the entire thickness of the material of the Insured Item, notwithstanding that repair or renewal of the part affected may be necessary either immediately or at some future time, except where caused by Insured Damage and You did not know or should not reasonably have known of the pre-existing condition;
- f. the wearing away or wasting of material caused by or naturally resulting from atmospheric conditions or ordinary use;
- g. the tightening of loose parts, recalibration or adjustments;
- h. the imposition of abnormal conditions, stresses or the intentional overloading of any Insured Item or the carrying out of tests involving abnormal stresses or the intentional overloading of any Insured Item.

2. Damage to:

- a. glass, porcelain or ceramic components;
- b. defective tube joints or other defective joints or seams;
- c. any valve fitting, shaft seal, gland packing joint or connection except where caused directly by Insured Damage;
- d. foundations, brickwork, and refractory materials forming part of an Insured Item;
- e. television, video or audio equipment other than security system equipment;
- f. expendable items such as electrical and electronic glass bulbs, tubes, lamps and x-ray tubes
- g. electrical contacts, fuses, heating elements, commutators, slip rings, conducting brushes, thermal expansion (TX) valves, thermostats, microprocessor and/or controller units, protective and controlling devices, over-loads, chains, belts, ropes, tyres, pressure switches, bearings, valves, valve plates, filters and dryers;
- h. computers, telecommunication transmitting and receiving equipment, electronic data processing equipment, electrical office machines, coin operated machines, gaming machines, storage tanks and vats, stationery and mobile pressure vessels containing explosive gases, mobile machinery, ducting, reticulating electrical wiring, water and gas piping and all other plant and equipment not owned by You;
- i. plant that has been hired or is on loan unless We specifically agree in writing.

3. Consequential loss of any kind other than that which is specifically stated.

4. Damage caused by the application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul.

5. Damage occurring during installation or erection other than the dismantling, movement and re-erection for the purpose of cleaning, inspection, repair or installation in another position within the Situation.

6. Damage that is claimable from any manufacturer, supplier, engineer or other person under the provisions of any maintenance or warranty agreement.

7. Loss of oil, liquid or gas resulting from leakage from glands, seals, gaskets, joints or from corroded, pitted or deteriorated parts.

8. the cost of converting refrigeration/air-conditioning units from the use of CFC (chlorofluorocarbon) refrigerant gas to any other type of refrigerant gas.

Claims - how We will settle your claim

We will at Our option repair or replace the Insured Item or pay for the cost of same to a condition equal to but not better or more extensive than its condition immediately before the Insured Damage.

We will not make any deduction for Depreciation in respect of parts replaced.

We will not pay for the cost of any alterations, additions, improvements, modifications or overhauls.

Where components or manufacturers' specifications are no longer available due to obsolescence, the basis of settlement will be the cost of providing alternative suitable components equal to but not better or more extensive than the original component being substituted.

Special condition

You must maintain and, where necessary, test and inspect the Insured Items in accordance with the manufacturer's recommendations and any applicable laws or regulations.

Special definitions

The words listed below have been given a specific meaning and these specific meanings apply to Section 6 when the words begin with a capital letter.

Insured Damage

Insured Damage means sudden and accidental physical loss or damage that occurs during the Period of Insurance and requires repair or replacement to allow continuation of use.

Insured Item

Insured Item means:

- a. lifts, elevators, escalators and inclinator when shown as included on the Schedule;
 - b. all other electrical, electronic and mechanical machinery, boilers and pressure vessels and similar plant;
- that forms part of Your Insured Property or its services.

Section 7 – Legal Expenses Insurance

What We insure

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:

- a. the Date of Occurrence of the Insured Incident happens during the Period of Insurance and within the Countries Covered;
- b. all legal proceedings are dealt by a court, or other body We agree to, within the Countries Covered;
- c. Reasonable Prospects exist for the duration of the claim
- d. 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.

What We will not pay

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.

Special Definitions

The words listed below have been given a specific meaning and apply to Section 7 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

- a. All reasonable and necessary costs chargeable by the Appointed Representative and agreed by us in accordance with the DAS Standard Terms of Appointment.
- b. 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

- a. For Insured Incidents 1. Legal defence (excluding Statutory notice appeals), and 5. 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.
- b. 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:

- a. for civil cases (other than under Insured Incident 12. 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);
- b. for criminal cases, the date when the Insured Person commenced or is alleged to have commenced to violate the criminal law in question;
- c. 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;
- d. for Insured Incident 12. 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;
- e. for Insured Incident 1. 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 - 12.

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, a tenancy agreement which is in writing, properly executed and containing an enforceable forfeiture clause applies.

Reasonable Prospects

- a. 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 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.
- b. 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:

- i. includes a request to examine any aspect of Your books and records; or
- ii. 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).

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 c
- 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 Insured Incidents 6. Contract disputes
- 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:

- 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:

- i. 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
- ii. 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);
- iii. 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 7 if the Date of Occurrence is within the first ninety (90) days of the indemnity provided by Section 7.
- 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 Incidents 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. Commercial and residential leased or let property 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 7 if the debt is due within the first ninety (90) days of the indemnity provided by Section 7.
- 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 7, 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 section;
- 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 section if the Date of Occurrence was within the first 180 days of the commencement of this section;
- d. any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the commencement of this section
- e. damages for personal injury or loss of or damage to property
- f. Transfer of Undertakings Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations.

b. Compensation awards

We will pay:

- a. any basic and compensatory award; and/or
- b. 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:

- i. In cases relating to performance and/or conduct, You have throughout the employment dispute either:
 - ◆ followed the ACAS Code of Disciplinary and Grievance Procedures or
 - ◆ followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
 - ◆ sought and followed advice from Our legal advice service.
- ii. 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.
- iii. 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
- iv. 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.
- v. 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:

- i. any compensation award related to:
 - ◆ trade union activities, trade union membership or non-membership;
 - ◆ pregnancy or maternity rights, paternity, parental or adoption rights;
 - ◆ health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - ◆ statutory rights in relation to trustees of occupational pension schemes;
- ii. non-payment of money due under a contract of employment or a statutory provision
- iii. any award ordered because You have failed to provide relevant records to Employees under the National Minimum Wage laws.
- iv. any compensation award or increase in compensation award relating to failure to comply with a current or previous recommendation made by a tribunal
- iv. 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

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. Cost 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. ionising 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

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 7 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 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 a 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.

Special 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 section
 - 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 section by telling Us at any time as long as You tell Us at least 14 days beforehand. We can cancel this section 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 section, 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 section. Please contact them directly for full details of charges.
11. We will, at Our discretion, void this section (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 section 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 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.
13. If any claim covered under this section is also covered by another section, or would have been covered if this section did not exist, We will only pay Our share of the claim even if the other insurer refuses the claim.
14. This section 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 section include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

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



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