

# 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 the 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

Sections 1 – 6 are underwritten by Brit Syndicates Limited, Registered in England and Wales No. 0824611 whose head Office address is The Leadenhall Building, 122 Leadenhall Street, London E C3V 4AB

Brit Syndicates Limited is authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority.

Residentsline act as agents to Brit Syndicate 2987 at Lloyd's under Binding Authority number UMR B0356JG963B16A000

## Section 7 Legal Expenses

Section 7 is administered and managed by a specialist legal expenses provider, Legal Protection Group Limited and Legal Claims Group Limited.

Head office and registered address:

Lysander House, Catbrain Lane, Cribbs Causeway, Bristol BS10 7TQ Registered in England and Wales.

Legal Protection Group Limited company number 10096688.

Legal Claims Group Limited company number 11033103.

Website: [www.legalprotectiongroup.co.uk](http://www.legalprotectiongroup.co.uk)

Legal Protection Group Limited (firm reference number 749446) is an appointed representative of Eldon Insurance Services Limited (firm reference number 477112). Eldon Insurance Services Limited is authorised and regulated by the Financial Conduct Authority.

Section 7 is underwritten by HDI Global Specialty SE UK Branch, who are registered in Germany, registration number HRB 211924.

Registered Office: Roderbruchstraße 26, 30655 Hannover, Germany, acting through its UK branch whose office is located at: 10 Fenchurch Street, London EC3M 3BE, United Kingdom. Authorised by the Bundesanstalt für Finanzdienstleistungsaufsicht and authorised and subject to limited regulation by the Financial Conduct Authority (FCA No. 659331). Details about the extent of its authorisation and regulation by the Financial Conduct Authority are available from Us on request.

## Authority to act on insurer's behalf

Brit Syndicates Limited and Legal Protection Group 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.

## 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. payment of premium
  - vii. duty of fair presentation
  - viii. 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.

## 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.

If, during the Policy period, You become aware that information You have given Us is inaccurate or the information You have provided to Us changes in a manner likely to affect this insurance, You must inform Us as soon as practicable. Changes to the information You have provided may result in an additional Premium or Us amending the terms of Your insurance.

Notifications must be in writing or by telephone at the following Policy Administration Helpline (page 9).

## 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.

Before entering into this insurance or renewing this 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) 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 notified us of circumstances which may give rise to a claim. If You have made a claim or notify us of circumstances which may give rise to a claim, then the Premium has to be paid in full. Even after the cooling off period ends You still have cancellation rights; however, We may deduct certain amounts from any refund (see below).

### **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.

### **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.

**This condition does not apply to Section 2.**

### **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.

### **No refund of premium**

If a claim has been submitted or paid, or an incident is notified as likely to give rise to a claim during the Period of Insurance, no refund of the Premium shall be given.

## 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. for Sections 1 - 4 and Section 6:

Residentsline Ltd , 29 Waterloo Road, Wolverhampton WV1 4DJ  
Tel: 01908 302 214 or email to [britclaims@residentsline.co.uk](mailto:britclaims@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

Legal Protection Group Limited at:  
Legal Protection Group Limited  
Lysander House, Catbrain Lane, Cribbs Causeway, Bristol BS10 7TQ,  
Tel: 0344 840 6345 or email to [legalprotectiongroup@stephensons.co.uk](mailto:legalprotectiongroup@stephensons.co.uk).  
Please quote reference LPGBTE165.



## 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 Legal Protection Group in conjunction with the Legal Expenses section. You have access to the helpline services listed below 24 hours a day, 365 days a year. Please note that in some cases, depending on the type of advice required and time of call, a call back may need to be arranged (this does not apply to the Counselling Helpline).

If You need to use the helpline services, please have ready Your policy reference number, LPGBTE165.

To help Us monitor and improve service standards, all calls are recorded, other than those to the counselling Helpline. Using the helpline services, where obtaining legal or tax advice, does not constitute notification of a claim. Please refer to the Claims – How We will settle Your claim section described on page 66.

### **Commercial legal advice service Call 0344 840 6345**

Provides You with confidential telephone legal advice on commercial legal matters subject to the laws of the United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

### **Commercial tax advice service Call 0344 840 6345**

Provides You with confidential telephone advice on commercial tax matters subject to the laws of the United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

### **Counselling service Call 0344 840 6344**

Provides Your Employees and any members of their family who permanently live with them with a confidential telephone counselling service on matters causing distress. This includes onward referral to relevant voluntary or professional services who may be able to provide further support.

Access to the telephone counselling helpline is covered by the insurance under this section. However, any costs incurred in using these onward referral services are not covered.

## Complaints – Sections 1 - 6

### (For Section 7 – Legal expenses refer to page 66)

We strive to provide an excellent service to all Our customers but occasionally things can go wrong. We take all concerns seriously and endeavour to resolve all customers' problems promptly. If You have a question or concern about Your policy You should, in the first instance, follow the guidance notes or instructions in the insurance documentation You have been sent. Your broker will also be able to advise You and provide assistance in this regard.

Alternatively, if You wish to contact Us directly You should either write or telephone:

The Complaints Department  
Brit Syndicates Limited  
The Leadenhall Building  
122 Leadenhall Street  
London EC3V 4AB  
Telephone: 0044 (0) 20 385 70000  
Facsimile: 0044 (0) 20 385 70001  
Email: BGS.Complaints@britinsurance.com

In the unlikely event that You remain dissatisfied and wish to make a complaint, You can do so at any time by referring the matter to Us at the above stated address or the Complaints Team at Lloyd's at the following address:

Complaints  
Lloyd's  
One Lime Street  
London EC3M 7HA  
Email: complaints@lloyds.com  
Telephone: +44 (0)20 7327 5693  
Fax: +44 (0)20 7327 5225  
Website: www.lloyds.com/complaints

Details of Lloyd's complaints procedure are set out in a leaflet 'Your Complaint - How We Can Help' available at [www.lloyds.com/complaints](http://www.lloyds.com/complaints) and are also available from the above address.

Should You remain dissatisfied after Lloyd's has considered Your complaint and You are NOT a policyholder in the UK, You should, in the first instance, seek advice from Your broker as to whom You should direct Your complaint.

If You were sold this product online or by other electronic means and within the European Union (EU) You may refer Your complaint to the EU Online dispute Resolution (ODR) platform. Upon receipt of Your complaint the ODR will escalate Your complaint to Your local dispute resolution service – this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>.

If You are a policyholder in the UK, You may be able to refer the matter to the **Financial Ombudsman Service**. The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services, they can normally deal with complaints from private individuals and from small organisations; further information is available from:

Financial Ombudsman Service (FOS)  
Exchange Tower  
London  
14 9SR  
Helpline: 0800 0234 567  
0044 20 7964 0500 (if outside UK)  
Switchboard: 0044 (0) 20 7964 1000  
Fax: 0044 (0) 20 7964 1001  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

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.

## Compensation

Brit Syndicates Limited and HDI Global Specialty SE UK Branch are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if We cannot meet Our obligations. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.

Financial Services Compensation Scheme  
10th Floor  
Beaufort House  
15 St Botolph Street  
London  
EC3A 7QU  
Tel: 0044 (0) 20 7741 4100  
Helpline: 0044 (0) 800 678 1100  
Fax: 0044 (0) 20 7741 4101  
Website: [www.fscs.org.uk](http://www.fscs.org.uk)

The FSCS opening hours are: Monday to Friday 8:30am to 5:30pm excluding public holidays.

## 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.

## Data Protection (Sections 1 - 6)

### The basics

We collect and use relevant information about You to provide You with Your insurance cover or the insurance cover that benefits You and to meet Our legal obligations.

This information includes details such as Your name, address and contact details and any other information that We collect about You in connection with the insurance cover from which You benefit. This information may include more sensitive details such as information about Your health and any criminal convictions You may have.

In certain circumstances, We may need Your consent to process certain categories of information about You (including sensitive details such as information about Your health and any criminal convictions You may have). Where We need Your consent, We will ask You for it separately. You do not have to give Your consent and You may withdraw Your consent at any time. However, if You do not give Your consent, or You withdraw Your consent, this may affect Our ability to provide the insurance cover from which You benefit and may prevent Us from providing cover for You or handling Your claims.

The way insurance works means that Your information may be shared with, and used by, a number of third parties in the insurance sector; for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance cover that We provide and to the extent required or permitted by law.

### Other people's details you provide to Us

Where You provide Us or Your agent or broker with details about other people, You must provide this notice to them.

### Want more details?

For more information about how We use Your personal information please see Our full privacy notice(s), which is/are available online on Our website(s) or in other formats on request.

### Contacting Us and Your rights

You have rights in relation to the information We hold about You, including the right to access Your information. If You wish to exercise Your rights, discuss how We use Your information or request a copy of our full privacy notice(s), please contact Us at, or the agent or broker that arranged Your insurance who will provide You with Our contact details:

Data Protection Officer  
Brit Syndicate 2987 at Lloyd's  
The Leadenhall Building  
122 Leadenhall Street  
London EC3V 4AB

## **Data Protection (Section 7 Legal Expenses)**

In order to manage the insurance under section 7, including the provision of helpline services, claims handling, underwriting and other administrative duties, We may need to share personal information which has been given to Us with other parties such as insurers, insurance intermediaries, law firms, experts, regulatory authorities or agents providing services to Us or on Our behalf. We will only request necessary information from an Insured Person and will only use it and disclose it in the course of arranging and administering this insurance.

Any personal information We hold about an Insured Person will be retained by Us for a period of seven years after this section expires and in any event, for the minimum periods required by relevant laws and regulations. This information may need to be retained for legal and regulatory reasons and for legitimate business purposes including (but not strictly limited to) establishing, pursuing or defending legal claims.

Sometimes We may need to send an Insured Person's personal information to agents based outside of the European Economic Area and in doing so will ensure that those agents apply the same levels of confidentiality, protection and security that are applied by Us.

In arranging and managing the insurance under this section and administering claims, We will comply with the provisions of the Data Protection legislation which is directly applicable in the United Kingdom (this includes the General Data Protection Regulation (EU) 2016/679 (otherwise known as GDPR) as well as any subsequent amending or replacement Data Protection legislation which is directly applicable in the United Kingdom) and unless required to do so by law or a professional body, will not disclose an Insured Person's personal data to any other person or organisation without their consent.

You can find full details of Our privacy policy on Our website [www.legalprotectiongroup.co.uk](http://www.legalprotectiongroup.co.uk)

More information on the Data Protection Act and the principles in place to protect personal information can be found on the Information Commissioner's Office website <https://ico.org.uk/>

An Insured Person has a right to obtain information We hold about them. This is called a Subject Access Request and in order to obtain such information, please write to: The Data Protection Officer, Legal Protection Group Limited, Lysander House, Catbrain Lane, Cribbs Causeway, Bristol BS10 7TQ

If an Insured Person has a concern about the way We have handled their personal data, then they have the right to report this to the Information Commissioner's Office:

Website: <https://ico.org.uk/concerns/>

Phone: 0303 123 1113 (lines are open Monday to Friday 9am to 5pm)

Email: [casework@ico.org.uk](mailto:casework@ico.org.uk)



# Policy Wording - Residential Flats Insurance

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

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

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 6 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.

## Residentsline

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

## 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 3 and 4 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 4 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 3 or 4.

## Damage

Damage means physical loss of, physical destruction of or physical 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. a 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 14 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.

## 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.

## Territorial Limits

In respect of Section 3, and Section 4 cover is extended to include member states of the European Union and EFTA and including Iceland, Norway, Switzerland and Liechtenstein.

In respect to Sections 1,2,5 and 6, means United Kingdom.

## 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, Insurer**

We, Our, Us, Insurer means: Brit Syndicates Limited 2987 at Lloyds

## **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, 24 and 25 of Section 1;
- c. in respect of Sections 3, 4 and 6:
  - the Insured named on the Schedule.
- d. 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 Abandonment**

You shall not in any case be entitled to abandon any property to Us whether taken possession of by Us or not.

### **2 Action to minimise loss**

It is a condition that if any incident occurs which may give rise to a claim under this Policy You shall take action to minimise the Loss or Damage, to avoid interruption or interference with the Business and to prevent further Damage or Injury.

### **3 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 in accordance with the Business.

### **4 Alteration of risk, non-invalidity**

You must promptly advise Us of any changes in the details of the information You have given Us as recorded in the Statement of Fact, or if the nature of the occupation or other circumstances affecting Your Insured Property is changed in such a way as to increase the risk of loss or Damage or the likelihood of liability losses.

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.

### **5 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.

### **6 Arbitration**

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

### **7 Assignment**

The insurable interest in the insurance by this Policy shall not be transferred without Our written consent.

### **8 Contracts (Rights of Third Parties) Act 1999**

This insurance does not confer or create any right enforceable under the Contracts (Rights of Third Parties) Act 1999 or any amending or subsequent legislation by any person who is not named as the Insured and both the Insurer and Insured may amend, cancel or lapse this insurance without giving notice to, or requiring the consent of, any other third party. However, this will not preclude rights enforceable under the Third Parties (Rights against Insurers) Act 2010.

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

If You or anyone acting on Your behalf breaches the 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 refuse to pay any claim; 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  $X = (\text{premium actually charged/higher premium}) \times 100$ .

## 10 Duty of fair presentation - remedies for breach – variation

If You or anyone acting on Your behalf breaches the 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  $X = (\text{premium actually charged/higher premium}) \times 100$ ; 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  $X = (\text{premium actually charged/reduced total premium}) \times 100$ .

## 11 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 11 does not apply to Sections 4 and 6.**

## 12 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 12 does not apply to Sections 3 – 6.**

## 13 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 13 does not apply to Sections 3 – 6.**

## 14 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 14 does not apply to Sections 3 - 6.**

## 15 Observance

Observance of the terms of this Policy relating to anything to be done or complied with by You or other prospective claimant is a condition precedent to Our liability under the Policy, except in so far as is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to the compulsory insurance of legal liability to employees under the Employers' Liability Section.

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'.

Conditions precedent to liability must be satisfied before We become liable to make any payment to You or other claimant under this Policy. In the event of the Insured's breach of any of the conditions precedent in respect of any claim, We shall be entitled to decline liability and shall not be required to make any payment for such claim.

Any waiver by Us of any provision will not prevent Us from relying on such term or condition or condition precedent in the future. In the event of a breach of any condition in the Policy, and without prejudice to any of Our other rights, We may reduce claims connected with the breach providing We can demonstrate some prejudice.

## 16 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.

## 17 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.

## 18 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 18 does not apply to Sections 3 – 6**

## 19 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.

## 20 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.



## 21 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.

## 22 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**

Loss to Electronic Data or arising from alteration, impairment, damage or distortion of electronic data including computer hacking or virus intrusions. 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 I under 'General definitions – Accidental Loss or Damage'.

#### **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.

#### **5 Nuclear**

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

#### **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.

## **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 or in writing to:

Residentsline Ltd,  
29 Waterloo Road,  
Wolverhampton  
WV1 4DJ  
Tel: 01908 302 214  
Email: [britclaims@residentsline.co.uk](mailto:britclaims@residentsline.co.uk).

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 5 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 (Legal Expenses)**

The claims service for Section 7 is administered by Legal Claims Group 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 [legalprotectiongroup@stephensons.co.uk](mailto:legalprotectiongroup@stephensons.co.uk)

## Section 1 – Insured property

Your schedule will show if this section is covered

### 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 – Day One Cover 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. Claim preparation costs and fees

We will pay You up to a maximum of £10,000 during any one Period of Insurance for the reasonable cost of fees and other expenses You necessarily incur with Our prior written consent in the quantification of a claim which has been admitted by Us as a valid claim, under sections 1 and 2 of this Policy.

#### 3. 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.

#### 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 thereat 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. 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.

### **19. 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. For avoidance of doubt, it is to be noted that this Policy excludes and does not cover the value of the data or information.

### **20. 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.

### **21. 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.

### **22. 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.

### **23. 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.

## **24. 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.

## **25. Temporary accommodation / rent / contributions / storage**

The combined total amount We will pay under Special Benefits 25 a) to 25 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.

Notwithstanding the above all cover in respect of Special benefits 25 a) to 25 g) unless stated otherwise will cease after 36 months from the date of the Event.

### **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;
- ◆ 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.

### **26. 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.

### **27. 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.

### **28. 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.

### **29. 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 if noted as included on the policy schedule

### 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 12.

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.

### 2. 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 Sum Insured from the date of such valuation to take into account alterations and/or other factors affecting such valuation since its date of issue.



### 3. 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.

### 4. 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.

### 5. 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

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.

## 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

Your schedule will show if this section is covered

### What We insure

We insure You up to the Sum Insured shown for Sections 1 on the Schedule 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;
- to the extent that:
- a. it is situated in Great Britain (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man nor the Channel Islands); and,
  - b. it 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. HM Treasury or Tribunal have certified such Damage as an act of Terrorism;
  - d. provided that in any action suit or other proceedings where the insurer alleges that any Damage, costs and expenses are not covered by this insurance the burden of proving the contrary will be upon the Insured.

### Exclusions - what We do not insure

We will not pay for Accidental Loss or Damage directly or indirectly caused by, contributed to, resulting from, arising out of or in connection with:

1. chemical biological or radioactive contamination defined as any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or its nuclear component thereof, ionising radiation or contamination by radioactivity or from the combustion of any radioactive material, chemical and or biological and or radiological irritants contaminants or pollutants, in respect only of residential Insured Property houses and blocks of flats and other dwellings insured in the name of a private individual;
2. Riot, civil commotion War and allied risks as defined as War invasion act of foreign enemy hostilities (whether War be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power;
3. digital or cyber risks, that is any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Accidental Loss or Damage to any computer or other equipment or component or system or item that processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the Insured Property of Yours or not, where such Accidental Loss or Damage is caused by Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack, or consequential loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

## 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 Section 1 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 Sections 1.

However, Our liability under Section 2 in any one (1) Period of Insurance shall not exceed the Sum Insured stated 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.

### Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. This definition 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.

### Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item that processes, stores, or retrieves data, whether Your property or not.

### Occurrence (applicable to Section 2 Terrorism only)

Occurrence means 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, and 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 Your first recorded individual loss as a result of the act of terrorism in question; and an Occurrence shall be taken to arise in the period of insurance in which such seventy-two (72) hour period commences, notwithstanding that it may extend beyond the time limit of the expiry of the period of insurance concerned.

### Phishing

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

### Virus or Similar Mechanism

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

## Section 3 – Liability to others

Your schedule will show if this section is covered

### 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 within the Territorial Limits; 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 and provided that We shall not be liable for Injury, Personal Injury, Damage or Denial of Access arising from the party's breach of the statutory duty or the party's own negligence.

## 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 owned by You. The indemnity provided by this Additional Benefit does not include any activity arising from:

- a. the hiring out of swimming pools, paddling pools, aqua or sub aqua facilities,
- b. the hiring out of caving, potholing, abseiling, rock climbing, climbing walls, zip-wire or zip line facilities.

## 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 within the Territorial Limits;
- 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. 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

### Section 3 excludes, and We will not pay 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 within the Territorial Limits.

### 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 physical loss of, physical destruction of or physical damage to tangible property that has been lost, destroyed or damaged and happens during the Period of Insurance within the Territorial Limits.

### 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

Your schedule will show if this section is covered

### 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 to an Employee in the course of employment by You in the Business within the Territorial Limits except that where such employment is undertaken temporarily outside the Territorial Limits:

- 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 Territorial Limits 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 within the Territorial Limits; 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

If a judgement for damages is obtained in any court within in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man:

- a. by any Employee or the personal representatives of any Employee in respect of Injury caused to that Employee during the Period of Insurance and arising out of and in the course of employment by the Insured in the Business; and,
- b. against any individual or company, not insured under this section, operating from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; and,
- c. which remains unsatisfied in whole or in part 6 (six) months after the date of such judgement; then, at Your request, We will pay to the Employee or the personal representatives of the Employee, the amount of such damages and awarded costs that remain unsatisfied, provided that:
  - i. any payment made by Us shall only be in respect of liability for which the company or individual, under 10.b. above, would have been entitled to indemnity had such company or individual been insured under this section; and,
  - ii. there is no appeal outstanding; and,
  - iii. if any payment is made under the terms of this Extension, the Employee or the personal representatives of the Employee shall assign the judgement to Us.

## 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.

## 12. Asbestos

The insurance under Section 4 will cover Injury to an Employee arising from

- i. exposure to
- ii. inhalation of
- iii. fears of the consequences of exposure to or inhalation of asbestos including any product containing asbestos

Provided that the Limit of Indemnity under this clause will not exceed £5,000,000

## Exclusions - what We do not insure Section 4 excludes, and We will not pay for:

### 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 affected 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

Your schedule will show if this section is covered

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 person's 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

Your schedule will show if this section is covered

### 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

#### Section 6 excludes and We will not pay for loss or Damage:

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

Only operative if shown as insured on the schedule

### What We insure

This section will provide assistance to pursue or defend Your legal rights in a range of common legal disputes affecting Your property owning business including:

- Disputes with Employees
- Health and Safety or criminal prosecutions
- Damage caused to Your premises and Let Property
- Pursuit of claims following death or personal injury
- Appeals against the loss of Your licence to trade
- Recovery of outstanding debts
- Restrictive covenant disputes
- Nuisance or trespass
- HMRC investigations into Your tax affairs
- Jury service and witness expenses
- Contractual disputes with suppliers or customers
- Disputes with Your Tenant or Guest relating to Your Let Property
- Access to 24-hour helpline services

*Important note: please also refer to the legal advice requirements for cover to apply under Insured Incident 2. Employment Compensation Awards.*

### What We will pay

In return for You paying or agreeing to pay the premium:

- a) We will provide the cover and benefits shown in Your schedule and detailed in this section, subject to its terms, exclusions, conditions and any endorsements; and
- b) the Insurer will pay Adviser's Costs and Expenses and/or awards of compensation and/or jury service and witness expenses, up to the Limit of Indemnity for any one Insured Incident and, where applicable, subject to the Annual Aggregate Limit.

Provided that:

- (i) the Insured Incident arises from Your Business Activity and happens in the Territorial Limit;
- (ii) the Date of Occurrence of the Insured Incident is within the Period of Insurance;
- (iii) the Insured Incident always has Reasonable Prospects of Success which must be present throughout the duration of an Insured Person's claim; and
- (iv) any proceedings or other methods We agree to resolve an Insured Person's claim are dealt with by a court or other body within the Territorial Limit.

### Special Definitions

The words listed below have been given a specific meaning and apply to Section 7 when they begin with a capital letter.

#### Adviser's Costs and Expenses

- a) Reasonable and necessary costs, fees and disbursements chargeable by the Appointed Adviser which have been agreed by Us in accordance with Our Standard Adviser's Terms of Appointment.
- b) Costs and disbursements incurred by the other party in civil cases if an Insured Person is ordered to pay them or pays them with Our agreement.

#### Annual Aggregate Limit

The most the Insurer will pay is £1,000,000 in any one Period of Insurance for awards of compensation or sums agreed by Us under Insured Incident 2 Employment Compensation Awards.

#### Appointed Advisor

The law firm, accountant or other suitably qualified person appointed by Us to act on an Insured Person's behalf, under the terms and conditions of this section and in accordance with Our Standard Adviser's Terms of Appointment.

#### Business Activity

The activities carried out by You, as shown in Your schedule.

## Commercial Tenancy Agreement

A written legally binding agreement, between You and the Tenant, to use Your Let Property for non-residential purposes. This agreement must contain an enforceable forfeiture clause.

## Date of Occurrence

- a) For civil cases (other than those specified under c), d) and e) below) – this is the date of the incident or event which leads to a claim. Where there is more than one incident or event arising at different times from the same originating cause, this will be the date of the first incident or event (this will be the date the incident or event happened, which may be before an Insured Person first became aware of it).
- b) For criminal cases – this is the date an Insured Person first began, or is first alleged to have begun, to break the law.
- c) For Insured Incident 4 f) Appealing against a Statutory Notice – this is the date You are served with the relevant Statutory Notice and have the right to appeal.
- d) For Insured Incident 6 a) HMRC Tax Enquiries – this is the date HMRC or the relevant authority first notifies You of its intention to carry out an examination into Your income tax or corporation tax return.
- e) For Insured Incidents 6 b) Employers' Compliance Disputes and 6 c) VAT Disputes – this is the date the dispute arises during the Period of Insurance, following the issue of an assessment, written decision or notice of a civil penalty.

## Employee

Any individual contracted to work for You under a permanent full or permanent part time contract of employment or apprenticeship or an individual who works under Your supervision.

## Guest

The person(s) named in the Holiday Home Let who occupies or has occupied Your Let Property.

## Holiday Home Let

A written and legally binding agreement, between You and a Guest, to occupy Your Let Property as holiday accommodation for leisure purposes. This agreement must contain an enforceable termination clause and must not exceed a period longer than three months.

## Insured Incident

An incident or event or the first in a series of incidents or events, arising at the same time or from the same originating cause, which leads to a claim under this section and where We have agreed to provide cover under the terms and conditions of this section.

## Insured Person

- a) You, and at Your request:
- b) Your directors, partners, managers and Employees; and
- c) any individuals declared to Us by You.

## Insurer

HDI Global Specialty SE UK Branch.

## Let Property

The property or properties, declared to Us and which is/are:

- a) owned by You or are Your responsibility;
- b) let under a Commercial Tenancy Agreement, a Residential Tenancy Agreement or a Holiday Home Let; and
- c) located in the United Kingdom of Great Britain and Northern Ireland.

## Limit of Indemnity

The most the Insurer will pay for any one Insured Incident (including any subsequent appeal agreed by Us) is noted on Your schedule.

## Period of Insurance

The period of time covered by Section 7, as shown in Your schedule and any further period(s) this section is renewed for.

## Reasonable Prospects of Success

For each Insured Incident there must always be more than a 50% chance that an Insured Person will:

- a) recover any losses or damages;
- b) successfully defend a claim or prosecution;
- c) succeed in reducing a sentence, penalty or a fine if they plead guilty in a criminal prosecution;

- d) succeed in enforcing a judgment or obtaining a legal remedy which We have agreed to; or
- e) make a successful appeal or defence of an appeal.

In all cases We or a suitably qualified expert acting on Our behalf will assess whether Reasonable Prospects of Success exist. This assessment will also take into account whether a reasonable person would wish to pursue such a dispute if the insurance under this section was not in force.

## Residential Tenancy Agreement

A written legally binding agreement, containing an enforceable termination clause, between You and the Tenant to occupy Your Let Property:

- a) which is let under an assured shorthold tenancy, a short assured tenancy or an assured tenancy as defined by the Housing Act 1988 (updated and amended by the Housing Act 1996) or the Housing (Scotland) Act 1988 or a private residential tenancy (as defined in the Private Housing (Tenancies) (Scotland) Act 2016); or
- b) which is let under the Private Tenancies (Northern Ireland) Order 2006; or
- c) which is let to a limited company or business partnership for residential use by their employees.

## Standard Adviser's Terms of Appointment

A separate agreement We require an Appointed Adviser to enter into with Us. This agreement sets out the Appointed Adviser's responsibilities and the amounts the Insurer will pay the Appointed Adviser in respect of an Insured Incident.

## Tenant

The person(s) or business named in the Commercial Tenancy Agreement or Residential Tenancy Agreement who occupies or has occupied Your Let Property.

## Territorial Limit

- a) **For Insured Incidents 4 a) Pre-charge, 4 b) Criminal prosecutions, 7 Personal Injury, 10 Contract Disputes and 11 Recovery of Undisputed Debts** – the European Union, the United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands, Norway and Switzerland.
- b) **For Insured Incident 12** – Commercial and Residential Let Property Disputes – the United Kingdom of Great Britain and Northern Ireland.
- c) **For all other Insured Incidents** – the United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

## Vacant Possession

The date on which Your Let Property is surrendered by the Tenant either by returning the keys, abandoning Your Let Property or when the Tenant is evicted from Your Let Property through a court process.

## We, Us, Our

- a) Legal Protection Group Limited, who administer and manage the insurance under this section on behalf of the Insurer.
- b) Legal Claims Group Limited, who administer all claims under this section on behalf of the Insurer.

## You, Your

- a) The business, partnership or individual who has purchased cover under this section and is named in the schedule.
- b) Any subsidiary or associated companies declared to Us.

Both a) and b) must be entities which are registered and located in the United Kingdom of Great Britain and Northern Ireland, the Isle of Man or the Channel Islands.

## Insured Incidents

### 1. Employment Disputes

Adviser's Costs and Expenses to defend You in a dispute with a current, former or prospective Employee, or an individual who alleges they are employed by You, following a breach or alleged breach by You of:

- a) a contract of employment or alleged contract of employment; and/or
- b) employment legislation.

### Provided that:

We will only consider a claim once a legal dispute exists and We do not provide representation throughout any internal disciplinary or grievance procedures which are conducted between You and an Employee.

**We will not pay for:**

- a) Unless You had continuous equivalent legal expenses insurance which expired immediately before the first Period of Insurance, any claim:
  - (i) where the Date of Occurrence arises within the first 90 days of the first Period of Insurance;
  - (ii) where the Date of Occurrence arises within the first 180 days of the first Period of Insurance for any dispute:
    - a. relating to redundancy, alleged redundancy or unfair selection for redundancy;
    - b. with an Employee who was subject to a formal or informal (written or oral) warning up to 180 days before the first Period of Insurance.
- b) Disputes arising solely from personal injury.

## 2. Employment Compensation Awards

Where We have accepted Your claim under Insured Incident 1 Employment Disputes, the Insurer will pay, subject to the Annual Aggregate Limit:

- a) Basic Awards, Compensatory Awards and/or compensation for breaches of employment legislation which have been awarded against You by a court or tribunal; or
- b) a sum We have agreed to settle the dispute which We have considered to be reasonable and proportional.

**Provided that:**

At all times You have sought and followed the advice given by Our Commercial Legal Advice Helpline in the following circumstances:

- (i) throughout the dispute in all cases relating to performance and conduct or a breach of statutory duty under employment legislation;
- (ii) before commencing any redundancy process or procedure.

Failure to seek and follow Our advice and guidance in these instances will result in the Insurer not paying an award of compensation or any sums to settle the dispute.

**We will not pay for:**

- (i) Additional Awards, Protective Awards, Aggravated Damages or Interim Relief.
- (ii) Redundancy payments or monies due or payable under a contract of employment, service agreement or related document or from any related, implied or incorporated terms of a contract of service.
- (iii) Any awards or increased awards following Your failure to comply with a current or previous recommendation of a court or tribunal or failure to comply with reinstatement or re-engagement orders.
- (iv) Awards of compensation relating to statutory rights under occupational pension schemes.
- (v) Awards of compensation due to Your failure to pay the National Minimum Wage.

## 3. Breach of Restrictive Covenant

Adviser's Costs and Expenses to pursue Your legal rights in a dispute with a current or former Employee following their breach of a restrictive covenant expressly incorporated into their contract of employment with You which places restrictions on that current or former Employee:

- (i) working for a direct competitor of You in a similar role or setting up as a direct competitor to You;
- (ii) contacting Your current customers or suppliers with the intention of taking their business from You;
- (iii) contacting Your current Employees with the intention of hiring them to work for a direct competitor of You.

**Provided that:**

The restrictive covenant has been designed to reasonably and fairly protect Your legitimate business interests and does not contain any restrictions for periods longer than 12 months.

## 4. Defence of Legal Rights

**Part 1. Defending an Insured Person**

Adviser's Costs and Expenses to defend an Insured Person's legal rights (only upon Your request) following an event arising from Your Business Activity which leads to:

- a) **Pre-charge**  
an Insured Person being interviewed by the Police or other authority with the powers to prosecute where the Insured Person is suspected of committing a criminal offence;
- b) **Criminal prosecutions**  
an Insured Person being prosecuted in a criminal court;
- c) **Professional or regulatory body disciplinary hearings**  
a formal investigation or disciplinary hearing brought against an Insured Person by a regulatory or professional body;

**d) Data protection breaches**

civil action taken against an Insured Person for compensation following a breach of the Data Protection legislation which is directly applicable in the United Kingdom for the holding, loss or unauthorised disclosure of data, including a compensation award the Insured Person is ordered to pay under the Data Protection legislation which is directly applicable in the United Kingdom for the holding, loss or unauthorised disclosure of data;

**Provided that:**

You have registered Your organisation as a data controller with the Information Commissioner Office before the breach or alleged breach occurred.

**We will not pay for:**

Any claim relating to:

- (i) an Insured Person using or driving a motor vehicle;
- (ii) any investigation conducted by or on behalf of HMRC (this exclusion applies to Insured Incident 4 a) Pre-charge only).

**Part 2. Defending You**

Adviser's Costs and Expenses to defend Your legal rights following an event arising from Your Business Activity which leads to:

- e) Wrongful arrest defence**  
civil action taken against You for wrongful arrest following an allegation of theft from Your business premises;
- f) Appealing against a Statutory Notice**  
an appeal against the imposition or terms of a Statutory Notice served on You by the relevant authority;
- g) Information Commissioner Officer (ICO) Appeals**  
an appeal against the refusal of the ICO to register Your application for registration.

**Part 3. Defending an Employee**

Adviser's Costs and Expenses to defend an Employee's legal rights (only upon Your request) following an event arising from Your Business Activity which leads to:

- h) Unlawful discrimination**  
civil action taken against an Employee under legislation for unlawful discrimination on the grounds of age, gender, gender reassignment, sexual orientation, disability, race or religion or any other subsequent protected characteristic defined by Acts of Parliament;
- i) Pension trustee defence**  
civil action taken against an Employee in their role as a trustee of a pension fund set up for the benefit of Your Employees.

## **5. Protecting Your Property**

**a) Nuisance and Trespass**

Adviser's Costs and Expenses to pursue or defend Your legal rights in a civil dispute relating to a legal nuisance or trespass which interferes with the use or right over land and/or buildings owned or occupied by You or for which You are legally responsible (including Your Let Property).

**Provided that:**

- (i) where the claim relates to a dispute over the boundary of Your land and/or buildings, You are able to supply Us with proof of where that boundary lies;
- (ii) where the claim relates to the eviction of squatters, in England, Wales and Scotland, squatting in a residential property is a criminal offence and in such circumstances You should first contact the Police for assistance.

**b) Damage to Property**

Adviser's Costs and Expenses to pursue Your legal rights following an event which causes physical damage to:

- land and/or buildings owned or occupied by You or for which You are legally responsible (including Your Let Property); and/or
- material property owned by You for which You are legally responsible.

**c) Service Occupancy Licences**

Adviser's Costs and Expenses to pursue Your legal rights to recover possession of premises, owned by You or for which You are legally responsible, from a current or former Employee.



**We will not pay for:**

Any claim relating to:

- (i) a dispute with the Tenant, a Guest or a contract You have entered into (other than a service occupancy licence in respect of Insured Incident 5 c));
- (ii) compulsory purchase orders, repossession or planning permissions, building regulations or restrictions or controls placed on Your land and/or buildings by any government, public or local authority;
- (iii) any work carried out by, or under the order of, government, public or local authorities or their contractors (unless the claim is for accidental physical damage to Your land and/or buildings and/or material property);
- (iv) motor vehicles owned or used by or hired or leased to an Insured Person;
- (v) goods in transit or goods lent or hired out;
- (vi) subsidence, heave, quarrying or mining activities.

## 6. Tax Investigations and Disputes

**a) HMRC Tax Enquiries**

Adviser's Costs and Expenses to represent You in a tax investigation and a subsequent appeal following a formal notice issued by HMRC to carry out an examination into the whole or particular features of Your Income Tax or Corporation Tax return.

**b) Employers' Compliance Disputes**

Adviser's Costs and Expenses to represent You in a dispute with HMRC following a formal expression of dissatisfaction with Your compliance with Pay As You Earn, Social Security, National Insurance Contributions, IR35 or the Construction Industry Scheme legislation and regulations.

**c) VAT Disputes**

Adviser's Costs and Expenses to represent You in a dispute with HMRC following their issue of a written decision, assessment or statement of alleged arrears or notice of a civil penalty relating to Your VAT affairs.

**Provided that:**

All tax returns and any supplementary information given are complete and correct and submitted within the specified deadlines.

**We will not pay for:**

Any claim relating to:

- (i) tax returns or accounts which contain negligent misstatements or omissions made by or on Your behalf or where there has been a lack of reasonable care in the keeping of Your business books and records;
- (ii) tax avoidance schemes;
- (iii) investigations conducted by HMRC's Specialist Investigations Unit or any investigation into alleged criminal activity, fraud or dishonesty arising from Your business tax affairs;
- (iv) failure to register for VAT, PAYE or (where the regulations apply to You) the Construction Industry Scheme.

## 7. Personal Injury

Adviser's Costs and Expenses to pursue an Insured Person's (and family members who permanently live with them) legal rights following a sudden and specific event which causes death or bodily injury to the Insured Person or family members who permanently live with them.

**Provided that:**

- a) We will only provide cover for an Insured Person (and members of their family who permanently live with them) at Your request; and
- b) claims relating to stress, mental illness, emotional or psychological injury are only covered if that condition is caused by a sudden and specific event which results in physical bodily injury to an Insured Person or to members of their family who permanently live with them.

**We will not pay for:**

Any claim relating to illness or injury which develops gradually over a period of time or is not caused by a sudden and specific event.

## 8. Jury Service and Witness Expenses

The Insurer will pay an Insured Person's lost salary or wages for time taken off work to:

- a) perform jury service;
- b) attend a court, tribunal, mediation, arbitration, disciplinary or regulatory hearing at the request of an Appointed Adviser in respect of an Insured Incident under this section.

**Provided that:**

- (i) the Insurer will only pay sums which cannot be recovered from the relevant court, tribunal or any other party, or sums which are not payable by You; and
- (ii) We will only provide this cover for an Insured Person if You request that We do so.

**We will not pay for:**

Any claim where an Insured Person cannot provide evidence of the extent of their lost salary or wages.

## 9. Statutory Licence Appeal

Adviser's Costs and Expenses in an appeal to the relevant statutory or regulatory authority, court or tribunal, following their decision to suspend, cancel, alter the terms of or refuse to renew a licence or certificate of registration, which has been issued to You under statute or statutory instrument or by Government or Local Authority and which is required for You to carry out Your Business Activity.

**Provided that:**

We will only provide cover for appeals and will not help with an application for an original or renewal of a licence or certificate of registration.

**We will not pay for:**

Any claim relating to the ownership, driving or use of a motor vehicle.

## 10. Contract Disputes

Adviser's Costs and Expenses to pursue or defend Your legal rights in a dispute arising from a breach or alleged breach of a contract entered into by You for the purchase, sale, hire, hire purchase, lease or provision of goods or of services.

**Provided that:**

- (i) the amount in dispute exceeds £100 (including VAT);
- (ii) if money is owed to You, all normal credit control procedures have been exhausted before You notify Us of a claim;
- (iii) if the other party has not contested liability, Your claim will instead be considered under Insured Incident 11 Recovery of Undisputed Debts.

**We will not pay for:**

Any claim relating to:

- (i) unless You had continuous equivalent legal expenses insurance which expired immediately before the first Period of Insurance, a dispute where the Date of Occurrence arises within the first 90 days of the first Period of Insurance and where the contract was entered into prior to the first Period of Insurance;
- (ii) the sale or purchase of land or buildings (including Your Let Property) or any Commercial Tenancy Agreement, Residential Tenancy Agreement, Holiday Home Let or any other lease, tenancy or licence to occupy land or buildings (other than a dispute with a professional adviser in connection with such matters);
- (iii) disputes over pensions, investments, guarantees, loans, mortgages, borrowing or any other arrangement You have with a bank, building society or supplier of credit;
- (iv) motor vehicles owned or used by or hired or leased to You;
- (v) disputes over the amount of money or compensation payable in respect of a claim under any insurance policy;
- (vi) disputes with a current or former Employee arising from an actual or alleged contract of employment;
- (vii) computer hardware, software, systems or services which have been custom-made by a supplier to Your specific requirements;
- (viii) a breach or alleged breach of professional duty by an Insured Person or any error or omission in any advice given by an Insured Person.

## 11. Recovery of Undisputed Debts

Adviser's Costs and Expenses to pursue Your legal rights to recover money and interest due to You arising from a breach or alleged breach of a contract entered into by You for the sale, hiring or leasing out or provision of goods or of services.

**Provided that:**

- (i) the debt exceeds £100 (including VAT);
- (ii) all normal credit control procedures have been exhausted before You notify Us of a claim.

**We will not pay for:**

Any claim relating to:

- (i) Unless You had continuous equivalent legal expenses insurance which expired immediately before the first Period of Insurance, a debt which falls due within the first 90 days of the first Period of Insurance and where the contract (under which the debt is due) was entered into prior to the first Period of Insurance;
- (ii) the sale or purchase of land or buildings (including Your Let Property) or any Commercial Tenancy Agreement, Residential Tenancy Agreement, Holiday Home Let or any other lease, tenancy or licence to occupy land or

- buildings, other than undisputed service charges payable for Your Let Property;
- (iii) pensions, investments, guarantees, loans, mortgages, borrowing or any other arrangement You have with a bank, building society or supplier of credit;
- (iv) motor vehicles owned or used by or hired or leased to You;
- (v) the amount of money or compensation payable in respect of a claim under any insurance policy;
- (vi) sums owed by a current or former Employee arising from an actual or alleged contract of employment.

## 12. Commercial and Residential Let Property Disputes

### a) Tenancy and Holiday Let Disputes

Adviser's Costs and Expenses to pursue or defend Your legal rights in a dispute with a Tenant or Guest arising from a breach or alleged breach of the terms of a Commercial Tenancy Agreement, Residential Tenancy Agreement or Holiday Home Let relating to the use or maintenance of Your Let Property.

#### Provided that:

There is no cover under a) for any disputes relating to repossession of Your Let Property, recovery of outstanding rent or dilapidations (please refer to b), c) and d) below).

### b) Repossession of Let Property

Adviser's Costs and Expenses to pursue Your legal rights to gain Vacant Possession of Your Let Property from the Tenant or to gain possession of Your Let Property from a Guest who stays beyond the agreed period of occupancy.

#### Provided that:

- (i) You must have given the Tenant or the Guest the correct notices required to obtain Vacant Possession or possession of Your Let Property and You must have complied with statutory legislation relating to the letting of Your Let Property;
- (ii) where Your Let Property is subject to any mandatory, selective or additional licence scheme, a current and valid licence must have been issued by the relevant authority and You must have complied with the terms and conditions of that licence.

### c) Rent Recovery

Adviser's Costs and Expenses to pursue Your Tenant or Guest to recover rent or monies they owe to You under the terms of the Commercial Tenancy Agreement, Residential Tenancy Agreement or Holiday Home Let.

#### Provided that:

- (i) the rent or money owed exceeds £100 (inc VAT) and any rent is overdue for at least one calendar month;
- (ii) if the Tenant or Guest contests liability, Your claim will instead be considered under a) Tenancy and Holiday Let Disputes (above).

### d) Dilapidations Disputes

Adviser's Costs and Expenses to pursue Your legal rights against the Tenant or Guest following an event which causes physical damage to Your Let Property, including its contents.

#### Provided that:

- (i) the amount in dispute exceeds £250 (inc VAT);
- (ii) before the Commercial Tenancy Agreement, Residential Tenancy Agreement or Holiday Home Let starts, You must have taken a detailed inventory of Your Let Property's condition and contents which have been agreed and signed by the Tenant or Guest.

#### We will not pay for:

Any claim relating to:

- (i) any disagreement with the Tenant or Guest which arises within the first 90 days of the first Period of Insurance where the Commercial Tenancy Agreement, Residential Tenancy Agreement or Holiday Home Let commenced before the first Period of Insurance (this exclusion does not apply if You had continuous equivalent insurance with another provider which expired immediately before this insurance started);
- (ii) the negotiation, review or the renewal of a Commercial Tenancy Agreement, Residential Tenancy Agreement or Holiday Home Let or any matter relating to service charges;
- (iii) purchasing a freehold, extending a leasehold, registering, reviewing or assessing rents or matters relating to Land Tribunals, Leasehold Valuation Tribunals, Rent Tribunals, Rent Assessment Committees or arbitration or Agricultural Land Tribunals arising from the Agricultural Holdings Act, Agricultural Tenancies Act, the Agricultural Holdings (Scotland) Act (as amended by the Land Reform (Scotland) Act) or any other amending or replacement legislation;
- (iv) compulsory purchase orders, repossession or planning permissions, building regulations or restrictions or controls placed on Your Let Property by any government, public or local authority;
- (v) any work carried out by, or under the order of, government or public or local authorities or their contractors.

## **Exclusions - which apply to all Insured Incidents unless otherwise stated**

### **We will not pay for any claim arising out of or relating to:**

**1. Delayed notification**

Any claim notified to Us more than 180 days after the date an Insured Person should have known about the event or dispute which has resulted in a claim under this section.

**2. Claims arising before this section started**

Any event or dispute which an Insured Person was aware of, or should reasonably have been aware of, which could give rise to a claim under this section and existed or happened before the first Period of Insurance under this section.

**3. Costs incurred and legal action We have not authorised**

(a) Any Adviser's Costs and Expenses or other costs incurred:

- (i) before We have accepted a claim; and/or
- (ii) which We have not authorised in advance.

(b) Any action taken by an Insured Person which We or the Appointed Adviser have not agreed to.

**4. Fines and court awards**

(a) Fines, compensation (other than amounts We agree the Insurer will pay under Insured Incidents 2 Employment Compensation Awards and 4 d) Data protection breaches), damages or penalties awarded against an Insured Person.

(b) Any costs an Insured Person is ordered to pay by a court of criminal jurisdiction.

**5. Wilful acts**

Any claim resulting from an act which is wilfully carried out and the outcome of which is consciously intended by an Insured Person.

**6. Judicial Review and challenges to legislation**

(a) Judicial Reviews (reviewing the way a decision has been made by a government authority, local authority or other public body), coroner's inquests or Fatal Accident Inquiries.

(b) Any challenges to current or proposed legislation.

**7. Disputes with us, the insurer or the appointed adviser**

Any claim made against Us, the Insurer or the Appointed Adviser (please also refer to Special Conditions 9)).

**8. Intra-business disputes**

(a) Any claim relating to disputes between You (acting in Your capacity as the business, partnership or individual named in the schedule who has purchased this section) and any of Your subsidiary, associated or parent companies.

(b) Any dispute between shareholders or partners in Your business.

**9. Franchise or agency rights**

Any claim relating to disputes over franchise rights or agency rights.

**10. Intellectual property**

Any claim relating to patents, copyrights, passing-off, trade or service marks, intellectual property, registered designs, secrecy and confidential information (other than claims We have agreed to cover under Insured Incident 3 Breach of Restrictive Covenant).

**11. Libel and slander**

Any claim relating to something said or written:

- (i) about an Insured Person which may damage the Insured Person's reputation;
- (ii) by an Insured Person which may damage another person's reputation.

**12. Liquidation and insolvency**

Any claim where either at the commencement of or during that claim, You have entered into liquidation, receivership, administration, become insolvent, are declared bankrupt or file for bankruptcy, or enter into a voluntary arrangement or deed of arrangement.

**13. War, terrorism, radioactive contamination and pressure waves**

Any claim resulting directly or indirectly from or in connection with:

- (a) war, terrorism, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, uprising, military or usurped power;
- (b) ionising radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the power of nuclear fuel;
- (c) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of it;
- (d) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speed.

## Claims - how We will settle Your claim

If an Insured Person is involved in a legal dispute which cannot be resolved by Using Our helpline services and needs to be reported as a claim under this section, please phone Our dedicated claims reporting line on 0344 840 6345 which is open 24 hours a day, 365 days a year. All calls are recorded for training purposes.

Please have ready Your policy reference number, LPGBTE165, and note the following important information:

- a) An Insured Person must report their claim to Us on 0344 840 6345 as soon as the Insured Person becomes aware of any circumstances which could give rise to a claim under this section. You will need to provide confirmation that any other Insured Person has Your authority to claim.
- b) Be ready to provide as much information concerning the claim as possible. This may include details of employment contracts or agreements entered into with suppliers, copies of tenancy agreements, names and addresses of all parties involved, expert or medical reports and contact details of any witnesses. We may also ask an Insured Person to provide other information relevant to the claim as part of its assessment which may involve completing a claims form.
- c) This section is a claims occurred insurance which means that claims are only covered where the Date of Occurrence (usually the originating cause of the dispute) arises during Your Period of Insurance. All claims must be reported to Us within 180 days of the Date of Occurrence or We will not be able to assist with the claim (please refer to Exclusions – which apply to all Insured Incidents unless otherwise stated 1).
- d) We will not provide cover if the circumstances giving rise to a claim exist before the start date of this section (please refer to Exclusions – which apply to all Insured Incidents unless otherwise stated 2).
- e) Under no circumstances should an Insured Person instruct their own lawyer, accountant or legal representative or incur any costs before We have accepted the claim as the Insurer will not pay any costs incurred without Our agreement. Unless it is necessary to start legal proceedings (starting an action in a court to settle a dispute) or if there is a conflict of interest (where Our chosen Appointed Adviser cannot act for an Insured Person as to do so would breach their professional code of conduct), We will appoint Our own Appointed Adviser to act on the Insured Person's behalf if We accept their claim.
- f) We will always choose the Appointed Adviser in any claim where the Insurer is liable to pay a compensation award (this means We will always choose the Appointed Adviser for any claim arising under Insured Incidents 1 Employment Disputes, 2 Employment Compensation Awards and 4 d) Data protection breaches).
- g) Once all relevant information has been received, an assessment of an Insured Person's claim will be conducted and We will let the Insured Person know if We can help. Please note that Reasonable Prospects of Success must be present throughout the duration of any claim and cover could be withdrawn if at any stage Reasonable Prospects of Success no longer exist which could be as a result of new information emerging regarding the claim or as legal arguments develop.
- h) If We are unable to cover an Insured Person's claim, then We will explain the reasons why and discuss any other available methods (which may be at the Insured Person's expense) to help achieve a successful outcome.

## What to do if You have a complaint about Section 7

We are committed to providing You with excellent customer service, but We accept that occasionally things go wrong. We take all complaints seriously and have a commitment across Our business to treat all customers fairly. Where We have made a mistake, We want to put things right quickly.

If You are not happy with the standard of service provided by Us, please let Us know:

**Email:** [complaints@legalprotectiongroup.co.uk](mailto:complaints@legalprotectiongroup.co.uk)  
**Phone:** 0333 700 1040 (lines are open Monday to Friday 9am to 5pm)  
**Post:** Customer Service Department, Legal Protection Group Limited, Lysander House,  
Catbrain Lane, Cribbs Causeway, Bristol BS10 7TQ

### As soon as a complaint is received:

All complaints will be acknowledged in writing within five business days of receipt. If the complaint can be resolved within five business days, Our letter will also outline the result of Our investigation. If Our investigation is not resolved within five business days, We will aim to respond within four weeks of receiving the complaint. If the complaint is about another party, such as a law firm who is acting for an Insured Person, We will refer details of the complaint to that other party and confirm this course of action to You in writing.

**After We have investigated the complaint:**

We will write to You immediately notifying You of the outcome of Our investigation. We will also advise that if You are not satisfied with the outcome, You may refer the matter to the Financial Ombudsman Service within the next six months\*.

**If We cannot resolve the complaint within 4 weeks:**

We will write to You and inform You that Our investigation is continuing, giving the reasons for the delay and a date by which We expect to be able to contact You again.

**If We cannot resolve the complaint within 8 weeks:**

We will inform You of the reasons for the further delay and advise that if You are not satisfied with Our progress then You may refer the complaint to the Financial Ombudsman Service within the next six months\*.

\* If You do not refer Your complaint within the six month period, the Insurer will not permit the Financial Ombudsman Service to consider Your complaint and will only be able to do so in very limited circumstances such as where they believe that the delay in notifying Your complaint was as a result of exceptional circumstances.

The Financial Ombudsman Service can be contacted:

**Email:** complaint.info@financial-ombudsman.org.uk  
**Phone:** 0800 023 4567 (free from a landline) or 0300 123 9123 (free from some mobile phones)  
**Post:** Financial Ombudsman Service, Exchange Tower, London E14 9SR

You can also visit [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) and follow the guidelines on how to complain and to also check their eligibility criteria.

Important: This complaints notification procedure does not affect Your right to take legal action.

## Special Conditions

### 1. An Insured Person's obligations

An Insured Person must:

- a) keep to the terms and conditions of this section;
- b) take all reasonable precautions to prevent or minimise the risk of a claim occurring under this section and to avoid incurring any unnecessary costs; and
- c) supply Us with honest and accurate information when asked to do so.

### 2. Appointment of an Appointed Adviser

- a) If We accept an Insured Person's claim, We will appoint an Appointed Adviser who may be able to negotiate settlement before or without the need for court action.
- b) If an Insured Person's claim cannot be settled by negotiation and it becomes necessary for legal proceedings to be issued (starting an action in court to settle a dispute), or if a conflict of interest arises (where Our chosen appointed adviser cannot act for the Insured Person as to do so would breach their professional code of conduct), the Insured Person is free to nominate a law firm or suitably qualified representative to act as the Appointed Adviser.
- c) We will always choose the Appointed Adviser to act on the Insured Person's behalf in any claim where the Insurer is liable to pay a compensation award (this means We will always choose the Appointed Adviser for any claim arising under Insured Incidents 1 Employment Disputes, 2 Employment Compensation Awards and 4 d) Data protection breaches).
- d) Any law firm or suitably qualified representative nominated by an Insured Person must agree to represent the Insured Person in accordance with Our Standard Adviser's Terms of Appointment (which are available on request) and the most the Insurer will pay is no more than the amount the Insurer would have paid to Our own choice of Appointed Adviser.

### 3. Conduct of the claim

- a) An Insured Person must:
  - (i) co-operate fully with Us and the Appointed Adviser and provide any relevant information, documentation and evidence in connection with a claim when asked to do so; and
  - (ii) keep Us and the Appointed Adviser fully informed of any developments and instruct the Appointed Adviser to provide Us with any information We ask for.
- b) An Insured Person must not:
  - (i) act in any way which obstructs Us or the Appointed Adviser or hinders the progress of a claim; and
  - (ii) incur any Adviser's Costs and Expenses or any other costs or amounts without Our consent.

- c) We can:
- (i) contact the Appointed Adviser at any time and have access to all documents and information regarding an Insured Person's claim;
  - (ii) withdraw funding for a claim and pursue an Insured Person to recover Adviser's Costs and Expenses or other costs or amounts already paid, if the Insured Person pursues or withdraws from that claim without Our consent or fails to pass on any instructions to the Appointed Adviser;
  - (iii) withdraw funding for a claim if an Insured Person dismisses the Appointed Adviser without Our consent and there is no valid cause to do so, or if the Appointed Adviser refuses to continue acting for an Insured Person with Our consent and there is valid cause to do so; and
  - (iv) withdraw funding for a claim if at any time We believe Reasonable Prospects of Success are no longer present. The Insurer will still pay any Adviser's Costs and Expenses or other costs or amounts We have agreed to, prior to Reasonable Prospects of Success no longer being present.

#### **4. Claims settlement**

- a) An Insured Person must tell Us immediately an offer to settle a claim is received and must not enter negotiations to settle a claim without Our prior consent.
- b) If an Insured Person refuses a fair and reasonable offer to settle a claim, We will be entitled to withdraw funding for that claim and the Insurer will pay no further Adviser's Costs and Expenses or other costs or amounts.
- c) We may decide to settle a claim by instructing the Insurer to pay the reasonable value of that claim instead of pursuing, defending or continuing with any action in court. In such cases We may decide to pursue the other party for the amount the Insurer has paid to an Insured Person and the Insured Person must allow Us to take over and continue the claim in their name and provide Us with any information in support of this action.

#### **5. Costs recovery and assessment of costs**

An Insured Person must:

- a) take all reasonable steps to recover Adviser's Costs and Expenses or other costs or amounts and pay such sums recovered to Us;
- b) tell the Appointed Adviser to have Adviser's Costs and Expenses taxed, assessed and audited and/or have their claims file audited by Us, if We ask for this. If it is established that Adviser's Costs and Expenses or any other costs have been billed which have not been agreed by Us, the Insurer reserves the right to refuse to pay these unauthorised costs.

#### **6. Appealing the outcome of a claim**

Appeals regarding the outcome of an Insured Incident, either made by or against an Insured Person, must be notified to Us as soon as possible and within 10 days of the deadline for any appeal. Reasonable Prospects of Success must still be present in order for an appeal to be considered.

#### **7. Other insurance and apportionment of costs**

If any Adviser's Costs and Expenses or other costs or amounts covered by this section are also covered under an alternative insurance policy, or would have been covered if this section did not exist, the Insurer will only pay their share of these costs.

#### **8. Obtaining a legal opinion**

We may require an Insured Person, at their own expense, to obtain an independent opinion from a barrister or other expert agreed between Us and the Insured Person over a claim's merits, financial value or Reasonable Prospects of Success. If the opinion supports the Insured Person and there are clear merits in proceeding with that claim, the costs incurred by the Insured Person in seeking that opinion will be reimbursed.

#### **9. Disputes with Us**

If there is a dispute between an Insured Person and Us over this section, which cannot be resolved through Our internal complaints handling process, the Insured Person is entitled to seek a resolution through the Financial Ombudsman Service as long as You are eligible to complain.

Where the Financial Ombudsman Service cannot deal with that complaint, the dispute shall be referred to arbitration which is a formal and binding process where disputes are resolved by independent arbitrators in accordance with the Arbitration Act. The arbitrator will be chosen jointly by Us and the Insured Person. If We and the Insured Person are not able to agree on the appointment of an arbitrator, the President of the Chartered Institute of Arbitrators will decide.

The decision of the appointed arbitrator is binding and the arbitrator may require the Insurer or the Insured Person to pay the costs.



## 10. Your cancellation rights

### a) Cooling-off period

You can cancel this section, without giving any reason, within 14 days of its start date or within 14 days of receiving Your policy documents, whichever is later. If You wish to exercise this right, You must notify the person who sold You this insurance. You will be entitled to a full refund of premium paid for this section as long as an Insured Person has not made a claim under this section during the current Period of Insurance.

### b) Outside the cooling-off period

You can cancel this section at any other time, subject to providing the person who sold You this insurance with 7 days' notice. As long as an Insured Person has not made a claim under this section during the current Period of Insurance and subject to the terms of business between You and the person who sold You this insurance, You may be entitled to a partial refund of premium.

In the event of cancellation, the person who sold You this insurance may apply an administration charge. Please contact them for more information on any charges applied.

## 11. Our cancellation rights

### a) General

We can cancel this section at any time, where there is a valid reason to do so, subject to providing You with 7 days' notice. Reasons for cancellation may include, but are not strictly limited to:

- (i) an Insured Person has failed to co-operate with Us or the Appointed Adviser and this failure has significantly hindered Our ability to deal with a claim or administer the insurance under this section; and/or
- (ii) a premium payment is due or a costs recovery is still outstanding by the end of the final deadline notified to an Insured Person.

### b) Fraudulent or dishonest claims

If We have evidence that an Insured Person has made a fraudulent, dishonest or exaggerated claim, or has deliberately misled Us or the Appointed Adviser when presenting relevant information in support of a claim, We reserve the right to cancel this section from the date of the alleged claim or misrepresentation and recover from the Insured Person any Adviser's Costs and Expenses or other costs or amounts already paid in respect of that claim, which the Insurer otherwise would not have paid. We will also not refund any premium paid by You.

If fraudulent activity or false or inaccurate information is identified, We may, at Our discretion, pass details to fraud prevention or law enforcement agencies who have the right to access and use this information, which could result in a prosecution.

## 12. Persons involved in the contract of insurance for Section 7

Unless expressly stated otherwise, any person who is not a party to the insurance under this section has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the terms of this insurance.

## 13. Choice of law and Acts of Parliament

- a) Unless otherwise agreed by Us in writing, the insurance under this section is governed by the laws applying to England and Wales.
- b) Any Acts of Parliament or Statutory Instruments referred to in this section shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands and shall also include any subsequent amending or replacement legislation.



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