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## Property Owners Select

### Policy Overview



# Introduction

Allianz Cornhill is one of the UK's leading insurers, focused on servicing the general insurance needs of UK businesses. As part of Europe's largest insurer we provide you with the peace of mind that comes from dealing with one of the most financially secure insurers.

Our professional, efficient and friendly people are committed to provide you with a high quality service.

In the event of having a claim, you will be in good hands. Our professional teams of claims handlers will deal with your loss promptly and seek flexible solutions to get your business back to full strength as soon as possible.

## What is Property Owners Select?

The Property Owners Select Policy has been designed to specifically meet the needs of Commercial Property Owners. The policy is underwritten by Allianz Cornhill.

The policy wording is modern, up to date and offering covers specifically required by Property Owners. Property Damage and Legal Expenses are compulsory sections of cover.

**This document provides a summary of the main policy benefits, terms and conditions only. For full details please refer to the policy document, a copy of which is available on request. Your insurance adviser or local Allianz Cornhill office will be pleased to explain the policy cover in more detail.**

## Risk Management

Whilst insurance cover can compensate for financial loss arising from damage to property or injury to personnel, it does not compensate for the inconvenience that can be caused in the disruption to your business and the time spent in resolving the loss.

There are a wide range of measures which can be introduced as part of a risk management or loss prevention programme to reduce the chances of loss or damage.

A Risk Management Guide is available giving Property Owners advice and guidance on ways of minimising such losses.

For a copy, please contact your insurance adviser or local Allianz Cornhill office.

# Covers Available

## Property Damage - Compulsory Cover

Cover for damage to the properties including buildings and contents of common parts on an “All Risks” basis.

### Standard cover includes:

- Fire, Lightning, Explosion
- Aircraft
- Riot and Civil Commotion or Malicious Persons
- Earthquake
- Subterranean Fire
- Storm or Flood
- Escape of Water from any tank, apparatus or pipe
- Impact by any road vehicle or animal
- Theft
- Accidental Damage
- Subsidence

### Extensions included:

- **Day One Reinstatement**  
An automatic increase of 30% will be added to the Declared Value to allow for inflation during the period of insurance. The Declared Value is the cost of rebuilding or replacing the property on the first day of the period of insurance.
- **Index Linking**  
The sum insured can be adjusted to take into account inflation, and will be automatically increased at each renewal date.
- **Sprinkler Installation Upgrade Costs**  
Additional costs of upgrading sprinkler installations if required by us following a loss.
- **Alterations and Additions**  
Alterations, additions and improvements to existing premises or any newly acquired properties up to £2m or 20% of the total sum insured, whichever is the less.

- **Intention to Insure**

Inadvertently omitted property up to an amount of £2m.

- **Removal of Debris**

Cover extends to include irrecoverable costs in removing debris of tenants contents following damage up to an amount of £5,000.

- **Locks and Keys**

The cost of replacing locks or keys following theft up to £5,000.

- **Landscaped Grounds**

Damage to landscaped grounds as a consequence of damage to the property insured up to an amount of £25,000.

- **Metered Supplies**

Loss of water, gas electricity or other supply charges up to a limit of £25,000.

- **Unauthorised Use of Supplies**

The unauthorised use of electricity, gas, water or other metered supplies is covered up to an amount of £25,000.

- **Trace and Access**

Costs incurred in tracing the source of damage to water pipes and underground services belonging to the property insured up to an amount of £10,000.

- **Tree Felling and Lopping**

The cost of lopping or felling trees which are an immediate threat to life or damage to the property up to an amount of £5,000.

- **Removal of Wasps and Bees Nests**

Cost of removing wasps or bees nests up to an amount of £500.

- **Contractors Interest**

We agree to note the interest of any contractor or sub contractor subject to any contracts valued at £250,000 or above being advised to us prior to the commencement of work.

## Covers Available (Continued)

- **Alternative Residential Accommodation**  
The cost of providing alternative accommodation for residential portions of the premises. Up to 20% of the sum insured of the premises or portion of premises damaged.
- **Contract Works**  
Cover for Buildings and Contents of any permanent or temporary works undertaken as part of a Contract which you are responsible under the terms of the Contract up to an amount of £250,000 any one contract.
- **Damage Following Theft**  
Should buildings not be insured by this section we will pay the costs which you are responsible for to repair damage caused as a result of theft or attempted theft.
- **Excess:**
  - Subsidence £1,000
  - All Other Damage £250

### Loss of Rental - Optional Cover

Loss of rental income following damage to the buildings and or contents, on an "All Risks" basis.

#### Standard cover

Follows that of the Property Damage section.

#### Extensions included:

- **Rent Reviews**  
Increase in rental income following a rent review is given subject to a maximum paid for any one claim being 200% of the total sum insured for Rent.
- **Alterations and Additions**  
Increase in rental income following alterations, additions and improvements or newly acquired premises up to £500,000 or 20% whichever is less.

- **Intention to Insure**  
Rent in respect of inadvertently omitted property up to an amount of £500,000 any one property.
- **Managing Agents Premises**  
Cover is given if there is interruption or interference to the business as a result of property damage at the premises of the managing agent. Limit 10% or £500,000 whichever is the less.
- **Denial of Access**  
Prevention of access to the premises.
- **Loss of Attraction**  
Loss of rental income resulting from the loss of potential tenants following damage to other premises in the vicinity. Limit 5% or £250,000 whichever is the less.
- **Supply Undertakings**  
Damage to premises where you obtain electricity, gas, water or telecommunications services.
- **Infectious and Contagious Diseases**  
Interruption to the business as a consequence of a Notifiable Disease. Maximum any one claim £250,000 subject to a 3 month indemnity period.
- **Book Debts**  
Cover is provided for outstanding debit balances that cannot be collected because the records have been damaged or destroyed. Limit £25,000.

#### Terrorism Cover

The cover given by this policy excludes cover in respect of damage or consequential loss caused by acts of terrorism.

If you require cover in respect of Property Damage or Loss of Rent caused by acts of terrorism, please contact your insurance adviser.

# Covers Available (Continued)

## Property Owners Liability - Optional Cover

Provides cover in respect of all sums which you become legally liable to pay as compensation to third parties for accidental injury or damage.

### Standard cover includes:

- **Standard Limit of Indemnity £2m**  
Higher limits are available on request
- **Data Protection Act**  
Sums which you become legally liable to pay as compensation under the 1998 Act. Limit £250,000
- **Defective Premises Act 1972**  
Legal liability arising out of any premises or land disposed of by you.
- **Consumer Protection and Food Safety Acts - Legal Defence Costs**  
Legal costs and expenses in connection with the defence of any criminal proceedings brought against you under:  
Consumer Protection Act 1987  
Food Safety Act 1990
- **Court Attendance Compensation**  
Covers attendance as a witness in connection with a claim.  
Compensation for each day of attendance:  
Director/partner           £250  
Employee                   £150
- **Contractual Liability**  
Liability arising from your contractual obligations
- **Legionellosis Liability**  
Cover is extended to include pollution or contamination of Legionella subject to a limit of £1m.

## Employers Liability - Optional Cover

Provides cover for damages, legal costs and expenses for which you are legally liable in respect of bodily injury or disease to employees.

### Standard cover includes:

- **Standard Limit of Indemnity £10m**  
Higher limits may be available on request
- **Health and Safety at Work - Legal Defence Costs**  
Cover is provided for legal defence costs arising out of the Health & Safety at Work Act 1974
- **Unsatisfied Court Judgements**  
Covers payment of court judgements obtained by employees against third parties for injury sustained at work, if the judgement remains unsatisfied.
- **Court Attendance Compensation**  
Covers attendance as a witness in connection with a claim.  
Compensation for each day of attendance:  
Director/partner           £250  
Employee                   £150

### Terrorism Exclusion

The policy will exclude cover for Terrorism except for:

- Employers Liability where cover is limited to £5m
- Property Owners Liability where a limit of £5m will apply unless a lower Limit of Indemnity is shown in the policy schedule

# Covers Available (Continued)

## Legal Expenses

Provides you with advice and protection for the professional costs and expenses of legal action which may arise.

### Standard cover (compulsory) includes:

- **Legal Advice**  
Access to Lawphone which provides advice on all business related legal matters 24 hours a day, all year round.
- **Prosecution Defence**  
Costs of defending your legal rights after an event which results in criminal proceedings. Limit £50,000
- **Property**  
Payment of legal fees to pursue compensation for damage to your property. Limit £50,000.

### Extensions available:

#### Option 1 - In addition to Standard Cover

- **Employment Contract**  
Costs of defending your legal rights in a dispute with an employee over a contract of employment and any award

the court or tribunal orders you to pay as a result. Limit £50,000 (including up to £25,000 for the award)

- **Commercial Tenancy Disputes**  
Costs in taking legal action over a tenancy agreement - limit £50,000
- **Tax & VAT**  
Costs to appeal against a decision by the Inland Revenue or HM Customs and Excise. Limit £25,000
- **Licence Protection**  
Costs of defending your legal rights relating to withdrawing, restricting or suspending your business licence.
- **Jury Service**  
Any shortfall in your salary or wages as a result of attending jury service. £100 per day maximum 20 days
- **Personal Injury**  
Costs of taking legal action against another person who causes death or bodily injury to you.

#### Option 2 - In addition to Standard Cover and Option 1

- **Residential Lettings**  
Costs in respect of letting disputes for all residential properties. Limit £25,000.

# Additional Information

## Property Management System

To enable you to manage your tenant's insurance arrangements, we can provide you with a system that will produce:

- an individual tenants Certificate of Cover
- an apportionment of premium by tenant
- a summary of a tenant's premium apportionment

For details please contact your insurance adviser or local Allianz Cornhill office.

## Help Lines

### Lawphone 0870 2414140

Access to a free Legal Advice line for all business related legal matters 24 hours a day, all year round.

### Solaglas 0800 474747

24 hour Glass replacement available to you and your tenants.

# Additional Information (Continued)

## Notifying a Claim

If an accident, loss or damage occurs or any circumstances arise which may cause a claim to be made:

- You should notify your insurance adviser (or alternatively you can contact us at one of our claims handling offices):
  - promptly, if an incident occurs that may lead to you making a claim
  - immediately, in the event of a serious accident, loss or damage
  - please provide your policy number and as much information as possible about the claim

## Legal Expenses Claims

If you need to make a claim under this section the following claims handling office should be used:

### Allianz Cornhill Legal Protection

Redwood House  
Brotherswood Court  
Great Park Road  
Bradley Stoke  
Bristol, BS32 4QW  
UK  
Tel: 0870 241 4140

## Allianz Cornhill Claims Handling Offices

### Birmingham

PO Box 11309  
Birmingham, B37 7WZ  
Tel: 0845 071 5151

### Bristol

PO Box 2198  
Bristol, BS99 7LH  
Tel: 0845 071 2121

### Glasgow

PO Box 26725  
Glasgow, G2 5YB  
Tel: 0845 071 2727

### Leeds

PO Box 564  
Leeds, LS1 4WJ  
Tel: 0845 071 0347

### Manchester

PO Box 361  
Manchester, M50 3YZ  
Tel: 0845 071 0340

### Milton Keynes

PO Box 5525  
Milton Keynes, MK9 2XR  
Tel: 0845 071 0335

### Woking

PO Box 952  
Woking GU21 6XQ  
Tel: 0845 071 9191

# Additional Information (Continued)

## Law Applicable & Policy Language

Unless agreed otherwise we will apply English Law. The language of the policy and all communications with you will be in English.

## Would I receive compensation if Allianz Cornhill were unable to meet its liabilities?

In the event that Allianz Cornhill is unable to meet its liabilities you may be entitled to compensation from the Financial Services Compensation Scheme. Full details are shown in the policy wording a copy of which is available on request.

## How do I make a complaint?

If you have a complaint about anything other than the sale of the policy please contact our Customer Satisfaction Manager at:

Allianz Cornhill Insurance PLC,  
57 Ladymead,  
Guildford, Surrey,  
GU1 1DB.

Alternatively phone: 01483 552438

If we are unable to resolve the problem we will provide you with information about the Financial Ombudsman Service.

Full details of our complaints procedure will be found in your policy documentation.

## Policy Limits

Higher limits may be available on request. Please ask your insurance adviser for details.

## Employers Liability Certificates

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and in particular you should be aware of the following:

- **Display of Certificates**

Allianz Cornhill will provide you with a Certificate of Employers Liability Insurance and this will clearly state the companies covered by the policy. You must display a copy of the certificate at each business premise where your employees can see it easily.

- **Retention of Certificates**

You must retain copies of Certificates that have expired for at least 40 years. This is because certain claims e.g. industrial disease, could be made many years after the disease is caused. This requirement applies to policies that were in force on 31st December 1998 or later.

## Please Read the Policy

Please read the policy and the policy schedule carefully and make sure that it meets your needs and that you understand its terms, conditions, limits and exclusions.

If you wish to change anything or if there is anything you do not understand please notify your insurance adviser or the Allianz Cornhill office that issued your policy. If you fail to notify us your policy may not operate or not operate fully.

# Additional Information (Continued)

## Data Protection Act

Your information will be used for general insurance administration purposes, for research and statistical purposes, and to search the files of credit reference agencies who may keep a record of the search. We may also share information with other insurance organisations to prevent fraud. We will store your details on computer but for no longer than necessary. Your personal details may be transferred to countries outside the EU. They will at all times be held securely and handled with the utmost care in accordance with all principles of UK law. Unless you ask us not to, we may also use the information to keep you informed about products and services that may be of interest. You are entitled on payment of a fee, to a copy of all the information we hold about you.

You should let us know if you think that any information we hold about you is inaccurate, so that we may correct it.

## Terrorism Cover

In addition to the cover automatically provided, the Property Damage and Loss of Rent sections of the policy can be extended to provide Terrorism cover for an additional charge. For further information contact your insurance adviser.

[www.allianzcornhill.co.uk](http://www.allianzcornhill.co.uk)

Allianz Cornhill Insurance plc. Registered in England number 84638  
Registered Office: 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom

Allianz Cornhill Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.

Allianz Cornhill is authorised and regulated by the Financial Services Authority, registration number 121849.

This can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

## Introduction

Your Property OwnersSelect Policy is made up of several parts, which must be read together as they form your contract. Please take time to read all parts of the Policy to make sure they meet your needs and that you understand the terms, exclusions and conditions. If you wish to change anything or if there is anything you do not understand, please let your insurance adviser or the Allianz Cornhill office that issued your Policy know - adjustments are easily made and we will be pleased to help.

The parts of the Policy are:

- this Introduction; the General Definitions; the Insuring Clause; the General Exclusions and the General Conditions, all of which apply to all Sections of the Policy
- the Sections of cover selected by you, including the Section Conditions and Special Conditions which apply to the Section
- the Schedule, which includes all Clauses applied to the Policy while the Policy is in force.

Any word or expression, which has a specific meaning, has the same meaning wherever it appears in the Policy.

## **Legal Advice Call - 24 hour legal advice helpline**

To provide you with access to a team of qualified Legal Consultants for free advice on any of your company's legal matters.

While this policy is in force this advice line may be used as often as necessary.

This service is available 24 hours a day, all year round. To use this service telephone FREE on number 0870 2414140 and state your policy number.

## Insuring Clause

The proposal or any information supplied by or on behalf of the Insured forms the basis of this contract between the Insured and the Insurer.

In consideration of payment of the premium the Insurer will indemnify or otherwise compensate the Insured against loss, destruction, damage, injury or liability (as described in and subject to the terms, conditions, limits and exclusions of this Policy or any Section of this Policy) occurring or arising in connection with the Business during the Period of Insurance or any subsequent period for which the Insurer agrees to accept a renewal premium.

For the Company

D.A. Torrance

D.A. Torrance  
Chief Executive

## General Definitions

The following definitions apply to this Policy, unless amended by Section Definitions.

### **Policy**

The document described in the Introduction

### **Section/Sections**

The parts of this Policy that detail the insurance cover provided for each individual Section of this Policy

### **Schedule**

The part of this Policy that details proposal and other information forming the basis of this contract and that shows the Sections of this Policy selected

### **Insurer**

Allianz Cornhill

### **Insured**

The Insured named and shown in the Schedule

### **Period of Insurance**

The period from the Effective Date to the Renewal Date as shown in the Schedule

### **Business**

The Business Description stated in the Schedule

### **Sum Insured**

The maximum amount the Insurer will pay for each item insured under any Section

### **Total Sum Insured**

The total amount payable by the Insurer under any Section

### **Excess** (not applicable to the Employers Liability Section)

The first part of each and every claim, for which the Insured is responsible

## General Exclusions

This Policy does not cover

### 1. **Radioactive Contamination**

Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

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

### 2. **War** (not applicable to the Employers' Liability Section)

Loss, destruction, damage, death, injury, disablement or liability or any consequential loss occasioned by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

## General Conditions

### 1. Policy Voidable

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

### 2. Reasonable Precautions

The Insured shall take all reasonable precautions to prevent accidents and any injury, loss, destruction or damage and shall take all reasonable steps to observe and comply with statutory or local authority laws, obligations and requirements.

### 3. Claims

The Insured shall in the event of any injury, loss, destruction, damage or consequential loss as a result of which a claim is or may be made under this Policy or any Section of this Policy, and again upon receipt by the Insured in writing of any notice of any claim or legal proceeding,

- a. notify the Insurer as soon as reasonably possible
- b. pass immediately, and unacknowledged, any letter of claim to the Insurer
- c. notify the Insurer immediately upon being advised of any prosecution, inquest or enquiry connected with any injury, loss, destruction, damage or consequential loss, which may form the subject of a claim under this Policy
- d. notify the police as soon as it becomes evident that any loss, destruction or damage has been caused by theft or malicious persons
- e. carry out and permit to be taken any action, which may be reasonably practicable to prevent further loss, destruction, damage or consequential loss
- f. retain unaltered and unrepaired anything in any way connected with the injury, loss, destruction, damage or consequential loss for as long as the Insurer may reasonably require
- g. furnish with all reasonable despatch at the Insured's expense such further particulars and information as the Insurer may reasonably require
- h. make available at the Insured's expense any documents required by the Insurer with regard to any letter of claim
- i. not pay or offer or agree to pay any money or make any admission of liability without the previous consent of the Insurer

allow the Insurer in the name of and on behalf of the Insured to take over and, during such periods as the Insurer thinks proper, to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and the settlement thereof and co-operate fully with the Insurer for that purpose.

No claim under this Policy shall be payable unless the terms of this General Condition have been complied with and any payment on account of a claim already made shall be repaid to the Insurer.

### 4. Cancellation

The Insurer may cancel this Policy by giving the Insured thirty (30) days' notice at their last known address. Provided the premium has been paid in full and no claim has been made during the Period of Insurance the Insured shall be entitled to a proportionate rebate of premium in respect of the unexpired period of the insurance. For cancellation following default in payment of the premium or any agreed instalment the period of notice may be reduced to seven (7) days.

### 5. Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or anyone acting on behalf of the Insured to obtain any benefit under this Policy, or if any injury, loss, destruction or damage is caused by the wilful act or the connivance of the Insured, all benefit under this Policy shall be forfeited.

### 6. Discharge of Liability (Not applicable to the Employers' Liability Section)

The Insurer may absolve itself from any further liability in connection with any occurrence or all occurrences of a series consequent on or attributable to one source or original cause by the payment of the specified limit of liability in respect thereof (after deducting therefrom any sums already paid) or by the payment of any balance of any maximum limit of liability for any one Period of Insurance whichever is the less, together with the amount of any costs and expenses to the date of such payment.

**7. Law Applicable**

This Policy shall be governed by and construed under English law.

**8. Rights of Third Parties**

A person or company who was not a party to this Policy has no right under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation to enforce any term of this Policy but this does not affect any right or remedy of a third party which exists or is available apart from such Act.

## **24 hour Glass Replacement**

Broken glass is dangerous for both you and your tenants and in some circumstances can be a security risk. Allianz Cornhill have negotiated a special arrangement with Solaglas one of Britains leading glass replacement specialists.

Solaglas will bill us direct, you pay nothing except for the excess and the VAT.

This helpline is available to both you and your tenants.

This service is available 24 hours a day, all year round. To use this service telephone FREE on 0800 474747 and state your policy number.

## **Complaints Procedure**

Our aim is to get it right, first time, every time. If we make a mistake we will try to put it right promptly. We will always confirm receipt of your complaint within five working days and do our best to resolve the problem within four weeks. If we are unable to do so, we will let you know when the answer may be expected. If we have not resolved the problem within eight weeks, and if applicable to you, we will provide you with information about the Financial Ombudsman Service.

Should you wish to make a complaint, then it should be directed to the Customer Satisfaction Manager at the Allianz Cornhill location shown in your Policy documentation. If your complaint is about a claim that we are already handling then please direct your complaint to the office involved.

# Property Damage All Risks Section

## Definitions

### Damage/Damaged

Accidental loss or destruction of or damage to Property Insured.

### Specified Events

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

### Premises

The Buildings at the address or addresses stated in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible.

### Property/Property Insured

Buildings, Contents and other property belonging to the Insured or for which the Insured are responsible, as shown and/or described in the Schedule.

The Insurer agrees to accept the heading under which any Property or other item has been entered in the books of the Insured.

### Buildings

The buildings at the Premises being, unless more specifically described, built mainly of brick, stone, concrete or other non-combustible materials, including

- landlord's fixtures and fittings (including communal television and radio receiving aerials, satellite dishes and related fittings on or in residential Premises), fixed glass, fixed sanitaryware and walls, gates and fences in, on or pertaining to the buildings
- telephone, gas, water and electric instruments, meters, piping, cabling and the like and their accessories in, on or pertaining to the buildings including such property in adjoining yards or roadways or underground at the Premises and extending to the public mains
- fuel tanks and their ancillary equipment, pipework and the like at the Premises
- small outside buildings, annexes, gangways, conveniences and other structures at the Premises
- roads, car parks, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas at the Premises.

### Contents

Fitted carpets, furnishings and other contents of reception and storage areas and other communal parts of the buildings at the Premises, including

- the contents of fuel tanks at the Premises
  - portable communal property in the open grounds of and used in connection with the buildings at the Premises
  - Money, for an amount not exceeding £1,000 in total
  - deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour expended in reproducing such records
  - computer systems records, but only for the cost of the materials and of clerical labour and computer time expended in reproducing such records, for an amount not exceeding £25,000 in total
- and so far as they are not otherwise insured
- partners', directors', employees' and visitors' personal effects of every description (other than motor vehicles) whilst at the Premises, for an amount not exceeding £500 for any one person.

### Money

Cash, bank and currency notes, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps, Holiday with Pay stamps, National Savings stamps, National savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens and consumer redemption vouchers belonging to the Insured or for which the Insured are responsible.

**Unoccupied**

Any building or part of any building which is empty or not in use by the Insured or any tenant of the Insured.

**Terrorism**

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.

## Cover

The Insurer will pay the Insured for Damage to Property Insured at the Premises shown in the Schedule, excluding

1. Damage caused by or consisting of
  - a. inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials
  - b. the bursting of any boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus belonging to the Insured or under the control of the Insured in which internal pressure is due to steam only
  - c. pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but the Insurer will pay for subsequent Damage which itself results from a cause not otherwise excluded
  - d. faulty or defective workmanship by the Insured or any employee of the Insured
  - e. operational error or omission by the Insured or any employee of the Insured but the Insurer will pay for
    - i. such Damage not otherwise excluded which itself results from a Specified Event
    - ii. subsequent Damage which itself results from a cause not otherwise excluded
  - f. acts of fraud or dishonesty by any partner, director or employee of the Insured but the Insurer will pay for such Damage not otherwise excluded which itself results from a Specified Event.
2. Damage caused by or consisting of
  - a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
  - b. change in temperature, colour, flavour, texture or finish
  - c. theft or attempted theft
    - i. which does not involve entry to or exit from a building by forcible and violent means or hold-up by violence or threat of violence to the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises
    - ii. to property in the open or in open fronted buildings or in buildings not on permanent foundations
    - iii. expedited or in any way brought about by the Insured or any partner, director or employee of the Insuredor Damage consisting of
  - d. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
  - e. mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates but the Insurer will pay for
    - i. such Damage not otherwise excluded which itself results from a Specified Event or from any other accidental loss, destruction or damage
    - ii. subsequent Damage which itself results from a cause not otherwise excluded.
3. Loss, destruction or damage caused by pollution or contamination, but the Insurer will pay for destruction or damage to the Property Insured not otherwise excluded, caused by
  - a. pollution or contamination which itself results from a Specified Event
  - b. any Specified Event which itself results from pollution or contamination.
4. Damage caused by or consisting of
  - a. subsidence, ground heave or landslip
    - i. in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths, and similar hard surfaced areas unless covered by this Section and a building covered by this Section is Damaged by the same cause at the same time
    - ii. resulting from
      - a. the settlement or movement of made-up ground
      - b. coastal or river erosion
      - c. defective design or workmanship or the use of defective materials
    - iii. which commenced prior to the inception of this cover

- iv. occurring as a result of demolition, construction, structural alteration or repair of any Property or as a result of ground works or excavation, at the same Premises
  - b. normal settlement or bedding down of new structures
  - c. disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
5. Destruction of or damage to any building or structure caused by its own collapse or cracking, but the Insurer will pay for such destruction or damage resulting from a Specified Event in so far as it is not otherwise excluded.
6. Damage in respect of any building which is Unoccupied caused by
  - a. freezing
  - b. escape of water from any tank, apparatus or pipe
  - c. malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage caused by fire or explosion.
7. Damage in respect of fences, gates and moveable Property in the open caused by wind, rain, hail, sleet, snow, flood or dust.
8. Damage to any Property caused by fire, resulting from its undergoing any heating process or process involving the application of heat resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair, but the Insurer will pay for such Damage caused by fire or explosion.
9. Damage in respect of
  - a. jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books
  - b. Property in transit
  - c. glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
  - d. Money, bonds or securities of any descriptionbut the Insurer will pay for such Damage caused by a Specified Event in so far as it is not otherwise excluded.
10. Damage to
  - a. vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
  - b. Property or structures in course of construction or erection and materials or supplies in connection with all such Property or structures
  - c. land, roads, pavements, piers, jetties, bridges, culverts or excavations
  - d. livestock, growing crops or treesbut the Insurer will pay for such property specifically described in the Schedule or in this Section.
11. Property which at the time of the happening of Damage is insured by or would but for the existence of this Section be insured by any marine policy or policies, but the Insurer will pay for any excess beyond the amount which would have been payable under such marine policy or policies had this Section not been effected.
12. Any Property more specifically insured by or on behalf of the Insured
13. Damage occasioned by nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority.
14. Damage in Northern Ireland occasioned by or happening through or in consequence of riot, civil commotion, Terrorism and (except in respect of Damage by fire or explosion) strikers, locked out workers, persons taking part in labour disturbances or malicious persons

15. Damage elsewhere than in Northern Ireland, the Isle of Man and the Channel Islands by fire or explosion occasioned by or happening through or in consequence of Terrorism, but the Insurer will pay for Damage in England, Wales and Scotland (other than the territorial seas adjacent to them as defined by the Territorial Sea Act 1987) by fire or explosion occasioned by or happening through or in consequence of Terrorism, provided that the most the Insurer shall pay for any one Loss Occurrence covered by this Section and by the Specified All Risks Section (if insured) in total, shall be

- a. for Premises or major portions of Premises not occupied solely as Private Dwellings or Blocks of Flats
  - i. £100,000 for Buildings and completed structures
  - ii. £100,000 for other Property Insured
  - iii. £100,000 for Rent if insured by this Section and no business interruption insurance has been effected by the Insured

or

- b. for Premises or major portions of Premises occupied solely as Private Dwellings or Blocks of Flats
  - i. £2,500,000 for Buildings and completed structures
  - ii. £2,500,000 for other Property Insured
  - iii. £2,500,000 for Rent and/or costs of alternative accommodation, if insured by this Section and no business interruption insurance has been effected by the Insured

or

- c. any Sum Insured or limit of liability in this Section whichever is the less.

Loss Occurrence shall mean all individual losses occurring within 12 consecutive hours of and arising from Damage by the same act of Terrorism. The Insured have the right to select the date and time from which any 12 hour period shall be deemed to have commenced, provided that such Damage occurred and such period commences prior to expiry of the Period of Insurance and that no two such periods overlap.

16. Consequential loss or damage of any kind or description, except loss of Rent when such loss is insured by this Section.

17. Damage directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, and whether occurring before, during or after the year 2000, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

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

but the Insurer will pay for subsequent Damage which is not otherwise excluded and which itself results from a Specified Event.

18. The amount of any Excess specified in the Schedule.

## Special Condition

### Subsidence

Unless the Insurer agrees in writing, cover shall be avoided where demolition, construction, ground works or excavation on the same Premises or on any adjoining site increases the risk of Damage.

### Basis of Settlement

The Insurer will pay the Insured the value of the Property Insured at the time of its loss or destruction, or the amount of the Damage, or at the Insurer's option will reinstate or replace such Property or any part of such Property.

The most the Insurer will pay for any one claim is

- A. the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in this Section whichever is the less at the time of Damage
- B. the amount of the Sum Insured or Limit of Liability remaining after deduction for any other Damage occurring during the same Period of Insurance, unless the Insurer agrees to reinstate any such Sum Insured or Limit of Liability.

In consideration of Sums Insured or Limits of Liability not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft or Terrorism (as covered by this Section).

### Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

#### 1. Index Linking

Sums Insured and/or Declared Values will be adjusted to take into account movements in the appropriate index and renewal premiums will be based on the adjusted Sums Insured and/or Declared Values.

For Buildings, the General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors or for residential Premises the Household Rebuilding Cost Index issued by the Association of British Insurers (or some other suitable index the Insurer decides upon) will be used.

For Contents and other Property shown and/or described in the Schedule, the Retail Price Index (or some other suitable index the Insurer decides upon) will be used.

The above percentage changes will continue to be applied between the date of any Damage and the date when replacement or repair has been completed.

#### 2. Average (Underinsurance)

The Sums Insured by

- A. any items for Buildings or Contents subject to the Reinstatement (Day One Basis) Clause (other than any such items applying solely to Private Dwellings) are declared to be separately subject to Average as described in Special Condition 2 of such clause
- B. any other items of Property Insured (other than any Sum Insured applying solely to Rent, Fees, Removal of Debris or Private Dwellings) are declared to be separately subject to Average. This means if at the time of Damage the Sum Insured for any item is less than the value of the item covered by such Sum Insured, the amount payable by the Insurer will be proportionately reduced.

### 3. Contribution and Average

If at the time of Damage any other insurance has been effected by or on behalf of the Insured covering any of the Property Damaged, the Insurer's liability under this Section shall be limited to the Insurer's rateable proportion of such Damage.

If such other insurance is subject to Average (Underinsurance), this Section if not already subject to Average shall be subject to Average in like manner.

If such other insurance is subject to any provision which excludes it from ranking concurrently with this Section, either in whole or in part, or from contributing rateably, the liability of the Insurer under this Section shall be limited to that proportion of the Damage which the Sum Insured for this Section bears to the value of the Property.

### 4. Reinstatement (Day One Basis)

- A. Subject to the Special Conditions set out below, the basis on which the amount payable for Buildings and Contents is to be calculated will be the reinstatement of the Property lost, destroyed or damaged. For this purpose "reinstatement" means
- i. the rebuilding or replacement of Property lost or destroyed which, provided the Insurer's liability is not increased, may be carried out
    - a. in any manner suitable to the requirements of the Insured
    - b. on another site
  - ii. the repair or restoration of Property damaged
- in either case to a condition equivalent to, or substantially the same as, but no better or more extensive than its condition when new.
- B. The Declared Value (shown in brackets below the Sum Insured), having been stated in writing by the Insured, has been used to calculate the premium.

"Declared Value" means the assessment by the Insured of the cost of reinstatement of Property Insured arrived at in accordance with paragraph A.i. at the level of costs applying at inception of the Period of Insurance (ignoring inflationary factors which may subsequently operate), together with, to the extent that cover provides, due allowance for

- i. any additional cost of reinstatement to comply with Public Authorities Regulations, Bye-Laws or Stipulations
- ii. Professional Fees
- iii. Removal of Debris costs.

### Special Conditions

1. At inception of each Period of Insurance, the Insured shall notify the Insurer of the Declared Value of Property Insured. In the absence of such declaration the last amount declared by the Insured will be taken as the Declared Value for the new Period of Insurance, appropriately adjusted if Index Linking applies.
2. If at the time of Damage the Declared Value of the Property is less than the cost of reinstatement (as defined in paragraph A.i.) at inception of the Period of Insurance, the amount payable by the Insurer will be proportionately reduced.
3. The Insurer's liability for the repair or restoration of Property damaged in part only, shall not exceed the amount which would have been payable if such Property had been wholly destroyed.
4. No payment beyond the amount the Insurer would have paid in the absence of this clause will be made
  - a. unless reinstatement commences and proceeds without unreasonable delay
  - b. until the cost of reinstatement has actually been incurred
  - c. where Property Insured at the time of Damage is covered by any other insurance effected by the Insured, or on behalf of the Insured, which is not on the same basis of reinstatement.

5. All the terms and conditions of this Section and of the Policy shall apply
  - a. to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause
  - b. where claims are payable as if this clause had not been incorporated, except that Sums Insured will be limited to 115% of Declared Values.

**5. Public Authorities (including undamaged Property)**

Subject to the Special Conditions set out below, cover for Buildings and Contents includes an amount in respect of any additional cost of reinstatement which is incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Act of Parliament, with Bye-Laws of any Public Authority or to comply with the Stipulations of European Union legislation, in respect of

- lost, destroyed or damaged Property
- undamaged portions of such Property

excluding

- A. the cost incurred in complying with such Regulations, Bye-Laws or Stipulations
  - i. in respect of Damage occurring prior to the granting of this cover
  - ii. in respect of Damage not covered by this Section
  - iii. under which notice has been served upon the Insured before the date of the Damage
  - iv. in respect of undamaged Property other than undamaged portions of Property Damaged
- B. the additional cost that would have been required to make good the Property Damaged to a condition equal to its condition when new, had the necessity to comply with such Regulations, Bye-Laws or Stipulations not arisen.
- C. the amount of any charge or assessment arising out of capital appreciation, which may be payable in respect of the Property, by reason of compliance with any such Regulations, Bye-Laws or Stipulations.

**Special Conditions**

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the Damage, or within such further time as the Insurer may allow, and may be carried out upon another site (if such Regulations, Bye-Laws or Stipulations so necessitate), subject to there being no resulting increase in the liability of the Insurer.
  2. If the liability of the Insurer is reduced by the application of any of the terms and conditions of this Section or of the Policy (other than as a result of this clause) the liability of the Insurer under this clause will be reduced in proportion.
  3. The most the Insurer will pay for any one claim in respect of undamaged portions of Property other than foundations is 15% of the total amount for which the Insurer would have been liable had the Property been wholly destroyed.
  4. All the terms and conditions of this Section and of the Policy shall apply to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause.
- 6. Sprinkler Installation Upgrading Costs**
- If, following Damage, the Insurer requires the upgrading of any automatic sprinkler installation in order that at the time of its reinstatement such installation will conform to Loss Prevention Council Rules current at the time of reinstatement, the Insurer will pay the costs incurred by the Insured provided that at the time of the Damage the installation conformed to the 28th or 29th Edition Rules for Automatic Sprinkler Installations issued by the Loss Prevention Council at the time of original installation but did not conform to subsequent amendments to such rules.

**7. Alterations and Additions**

To the extent that they are not otherwise insured, Buildings and Contents items include

- A. alterations, additions and improvements (but not appreciation in value in excess of Sums Insured)
- B. any newly acquired or newly erected Buildings and Contents

within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, for no more than 20% of the Sum Insured for each item covered, or £2,000,000 in total, whichever is the less, at any one Premises or at any one newly acquired address elsewhere than at the Premises, provided that the Insured shall give details of such alterations and additions to the Insurer within 6 calendar months of the commencement date of the Insured's responsibility, effect specific cover retrospective to such date and pay the appropriate additional premium.

**8. Intention to Insure**

The Insured having notified the Insurer at inception of cover of their intention to insure all Buildings in which they are interested within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, and it being the Insured's belief that all such Property is covered, the Insurer agrees that if subsequently any such Property is found to be inadvertently omitted from the cover under this Section the Insurer will deem them to be covered for the amount of their structural value, up to an amount of £2,000,000 for Buildings at any one inadvertently omitted address, provided that the Insured shall give details to the Insurer immediately the omission is discovered, effect specific cover retrospective to such date and pay the appropriate additional premium.

**9. Professional Fees**

Sums Insured and/or Declared Values for Buildings include an amount in respect of Architects', Surveyors', Legal and Consulting Engineers' fees, other than where an item covering such fees is specifically shown in the Schedule.

Cover applies only to those fees necessarily and reasonably incurred in consequence of Damage, in the reinstatement or repair of Property Insured.

**10. Removal of Debris Costs**

Sums Insured and/or Declared Values for Buildings and Contents include an amount in respect of removal of debris costs, other than where an item covering such costs is specifically shown in the Schedule.

Cover applies only to those costs necessarily and reasonably incurred in consequence of Damage, in

- A. removing debris
- B. dismantling and demolishing
- C. shoring up or propping
- D. clearing, cleaning and/or repairing drains, gutters, sewers and the like for which the Insured are responsible.

The Insurer will not pay for any costs or expenses incurred in removing debris other than from the site of such Property Damage and the area immediately adjacent to such site arising from pollution or contamination of Property not insured by this Section.

**11. Removal of Debris Costs - Tenants Contents**

To the extent that they are not otherwise insured, Cover includes irrecoverable costs necessarily incurred with the Insurers consent, in consequence of Damage, in removing debris in respect of contents for which the Insured are not responsible, up to an amount of £5,000 any one claim.

The Insurer will not pay for any costs

- A. incurred in removing debris other than from the site of such Property Damage and the area immediately adjacent to such site
- B. arising from pollution or contamination of Property not covered by this Section.

**Temporary Removal**

Property Insured is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes to any address elsewhere than at the Premises, including whilst in transit, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- A. such Property more specifically insured
- B. Damage to vehicles licensed for road use, in so far as they are insured by this Section, occurring elsewhere than at the Premises from which such vehicles are removed
- C. more than 10% of the Sum Insured for each item covered, for Damage occurring elsewhere than at the Premises.

### 13. Temporary Removal - Documents

If deeds and other documents (including stamps on them), manuscripts, plans and writings of every description, books and other business records are included in the Property Insured, such items are covered whilst temporarily removed to any address elsewhere than at the Premises, including whilst in transit within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- A. such items more specifically insured
- B. more than 10% of the figure stated within the definition of contents for computer systems records
- C. more than 10% of the total value of such items.

### 14. Electrical Apparatus

If any electrical apparatus or fittings are damaged by fire due to self ignition, over-running, excessive pressure, short circuiting, self heating or leakage of electricity, the Insurer shall not be liable for Damage to the particular piece of apparatus or fitting which has caused the fire, but the Insurer shall be liable for Damage to any other apparatus or fittings in consequence of such fire.

### 15. Fixed Glass

Following Damage to fixed glass the Insurer will pay the cost of

- A. any necessary temporary boarding-up of broken glass pending full replacement
- B. removing and re-fixing window fittings and other obstacles to replacing broken glass and replacing alarm foil lettering, painting, embossing, silvering or other ornamental work on glass
- C. Damage to framework and to Contents caused by broken glass.

The Insurer will not pay for Damage existing prior to inception of this Section.

### 16. Locks and Keys

The Insurer will pay the cost of replacing locks and keys of doors and windows for which the Insured are responsible, such costs being necessarily incurred to keep the Premises secure if keys are stolen using force and violence, up to an amount of £5,000 any one claim.

### 17. Fire Extinguishers and Sprinklers

The Insurer will pay the reasonable costs incurred by the Insured in re-filling fire extinguishers and replacing sprinkler heads, solely in consequence of Damage by a Specified Event.

### 18. Landscaped Grounds

Cover includes costs incurred by the Insured in consequence of Damage to Property Insured at the Premises, up to an amount of £25,000 any one claim, in restoring landscaped grounds to their original appearance when first laid out and planted.

The Insurer will not pay for costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or to become established.

### 19. Metered Supplies

Cover includes additional water, gas, electricity or other metered supply charges incurred by the Insured in consequence of Damage, and for which the Insured are legally responsible, up to an amount of £25,000 any one claim.

The Insurer will not pay for such charges incurred in respect of any building which is Unoccupied.

The basis on which the amount payable is to be calculated will be the amount of the suppliers' charges for the period following the Damage, less the charge paid by the Insured for the corresponding period in the preceding year, adjusted for changes in the suppliers' charges and for variations affecting supply consumption by the Insured.

#### **20. Unauthorised Use of Supplies**

Cover includes the cost of water, gas, electricity or other metered supply charges incurred by the Insured and for which the Insured are legally responsible, up to an amount of £25,000 any one claim, due to unauthorised use by persons taking possession of, keeping possession of or occupying any Premises without the written consent of the Insured, provided that

- A. the Insured shall take all practicable steps to terminate such unauthorised use as soon as it is discovered
- B. Section Condition 3 has been complied with by the Insured.

#### **21. Trace and Access**

In the event of Damage in consequence of escape of water or fuel oil from any tank, apparatus or pipe, the Insurer will pay the costs necessarily and reasonably incurred by the Insured in locating the source of such Damage, and in the subsequent making good of Damage caused as a consequence of locating such source, up to an amount of £10,000 any one claim.

#### **22. Tree Felling and Lopping**

Cover includes costs incurred by the Insured, up to an amount of £5,000 any one claim, in removing or lopping trees which are an immediate threat to the safety of life or of Damage to the Property Insured.

The Insurer will not pay for

- A. Legal or Local Authority costs involved in removing trees
- B. costs incurred solely to comply with a Preservation Order.

#### **23. Removal of Wasp and Bee Nests**

Cover includes costs incurred by the Insured, up to an amount of £500 any one claim, in removing wasp or bee nests from buildings at the Premises.

The Insurer will not pay for the cost of removing nests already in buildings at the Premises prior to the inception of this cover.

#### **24. Contractors Interest**

When the Insured is required by the terms or conditions of any contract to cover Buildings in the joint names of the Insured and of any contractor or sub-contractor named in such contract, the Insurer agrees to note such joint interests provided that the Insured shall notify the Insurer of details of any single contract valued at £250,000 or more, in advance of commencement of the work, and pay any additional premium the Insurer may require.

#### **25. Contract Works**

Cover for Buildings and Contents includes any permanent or temporary works undertaken in performance of any contract, including all unfixed materials and goods delivered to or placed on or adjacent to the Premises and intended for incorporation in such Contract Works, all for which the Insured are responsible under the terms of the contract up to an amount of £250,000 any one contract.

#### **26. Alternative Residential Accommodation**

If as a result of insured Damage residential Premises or parts of residential Premises are rendered unfit to live in, or access to them is denied, to the extent that they are not otherwise insured the Insurer will pay the costs of reasonable alternative accommodation and temporary storage of residents furniture and the costs of reasonable accommodation in kennels and/or catteries for residents dogs and/or cats, if dogs and/or cats are not permitted in such residents alternative accommodation.

The Insurer will not pay for such costs in excess of 20% of the Sum Insured applying to the Premises or to the parts of the Premises Damaged.

### **27. Seventy Two Hours Clause**

Damage occurring within 72 consecutive hours of and arising from the Specified Events of storm or flood is deemed to be one claim. The Insured have the right to select the moment from which the 72-hour period shall be deemed to have commenced within the terms of this Section, provided that such Damage occurred prior to expiry of the Period of Insurance.

### **28. Damage following Theft**

In the event that Buildings are not covered by this Section, the Insurer will pay costs for which the Insured are responsible, necessarily and reasonably incurred by the Insured to repair Damage to the Premises in consequence of theft or attempted theft (as insured by this Section).

The Insurer will also pay the cost of any temporary boarding-up and making good necessary to keep the Premises secure.

### **29. Contracting Purchasers**

The Insurer agrees that without prejudice to the rights and liabilities of the Insured or the Insurer, if at the time of Damage the Insured have contracted to sell their interest in any building covered, and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase shall be entitled to benefit under this Section until completion, except in so far as such building is more specifically insured by or on behalf of the purchaser.

### **30. Freeholders, Lessors and Mortgagees**

When the interest of any Freeholder, Lessor or Mortgagee has been noted in Property Insured covered by this Section, the Insurer agrees that this Section shall not be invalidated by any act, omission, alteration or neglect of or by the Leaseholder, Lessee or Mortgagor unknown to or beyond the control of the Freeholder, Lessor or Mortgagee, by which the risk of Damage is increased, provided that the Freeholder, Lessor or Mortgagee shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission, alteration or neglect.

## **Section Conditions**

### **1. Precautions**

The Insured must keep the Premises in a good state of repair.

### **2. Alteration**

Unless the Insurer agrees in writing, cover under this Section shall be avoided for any of the Property Insured in regard to which there is any alteration after the commencement of this Section

- a. by removal
- b. by buildings or parts of buildings described in the Schedule as occupied becoming Unoccupied, or as Unoccupied becoming occupied
- c. which increases the risk of Damage
- d. which results in the interest of the Insured ceasing other than by will or operation of law.

### **3. Unoccupied Premises**

Unless the Insurer agrees in writing, in respect of

- a. any buildings or parts of buildings described in the Schedule as Unoccupied
- b. any buildings or parts of buildings described in the Schedule become Unoccupied after the commencement of this Section

until such buildings or parts of buildings again become occupied the Insured must

- i. turn off electricity, gas and water supplies at the mains, except for those connected to automatic sprinkler installations or connected to automatic fire alarm or intruder alarm installations
- ii. drain down all water systems, except those connected to automatic sprinkler installations
- iii. maintain automatic sprinkler installations and automatic fire alarm and intruder alarm installations fully operational
- iv. maintain a minimum level of heating of automatic sprinkler installations sufficient to prevent freezing
- v. close and secure all points of access by all locks and other protections fitted to them
- vi. remove all combustible waste, including that left in any communal parts of the buildings or in the grounds at the Premises

vii. organise an inspection of such buildings or parts of such buildings to be carried out by a responsible adult at least once in every 14 days.

**4. Non Invalidation**

This Section shall not be invalidated by

- a) any act, omission, alteration or neglect unknown to or beyond the control of the Insured, by which the risk of Damage is increased, provided that the Insured shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission, alteration or neglect
- b) workmen on the Premises carrying out repairs, general maintenance work or minor structural or other alterations.

**5. Conditions Precedent to Liability**

Every condition applied to this Section or to any item of this Section (whether a General, Section or Special Condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Section.

Failure to comply with any such condition, to the extent that it increases the risk of Damage, shall be a bar to any claim in respect of such Damage.

**6. Additional Claims Conditions**

In the event of Damage, the Insured shall at their own expense deliver to the Insurer

- a. within 30 days after such Damage (7 days in the case of Damage by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft) or such further time as the Insurer may allow in writing
  - i. full information in writing of the Property Insured Damaged, and the amount of Damage
  - ii. details of any other insurances on the Property Insured covered by this Section
- b. all such proof and information relating to the claim as may reasonably be required
- c. if required, a statutory declaration of the truth of the claim and of any matters connected with it.

The Insurer will not pay for any claim unless the terms of this condition have been complied with.

**7. Reinstatement**

If any property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all plans, documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly, but only as circumstances permit, and in a reasonably sufficient manner, and shall not in any case be bound to expend for any one item of this Section more than its Sum Insured.

**8. The Insurer's Rights following a Claim**

In respect of Damage for which a claim is made, the Insurer and any person authorised by the Insurer may without incurring any liability or diminishing any of the Insurer's rights in respect of the cover under this Section, enter take or keep possession of the Premises where such Damage has occurred, and take possession of or require to be delivered to the Insurer any Property Insured, and to deal with such Property for all reasonable purposes and in any reasonable manner.

- No Property may be abandoned to the Insurer, whether taken possession of by the Insurer or not
- The Insurer will not pay for any claim unless the terms of this condition have been complied with.

**9. Subrogation**

Any claimant under this Section shall, at the Insurer's request and expense, take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured, before or after Insurer makes any payment.

The Insurer agrees to waive any such rights to which the Insurer might become entitled by subrogation against

- a. any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Insured or against any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the Damage

- b. any tenant or lessee in respect of Damage to that part of the Premises occupied by the tenant or lessee or to the communal parts of the Premises, unless such Damage arises out of a criminal, fraudulent or malicious act by the tenant or lessee.

**10. Terrorism**

In any action, suit or other proceedings where the Insurer alleges that by reason of the definition of terrorism in this Section any Damage is not covered by this Section, or is covered only up to a specified amount, the burden of proving that such Damage is covered or is covered beyond such specified amount shall be on the Insured.

**11. Arbitration**

If any difference arises as to the amount to be paid under this Section (liability being otherwise admitted by the Insurer), such difference shall be referred to an arbitrator to be appointed by the Insured and the Insurer in accordance with statutory provisions.

Where any difference is referred to arbitration in accordance with this condition, the making of an award shall be a condition precedent to any right of action against the Insurer.

# Property Owners Liability Section

## Definitions

### 1. Injury

- A. Bodily injury, death, disease, illness, mental injury, mental anguish or nervous shock
- B. invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person.

### 2. Employee

- A. Any person under a contract of service or apprenticeship with the Insured
- B. any of the following persons whilst working for the Insured in connection with the Business
  - I. any labour master or labour only subcontractor or person supplied by him
  - II. any self-employed person providing labour only
  - III. any trainee or person undergoing work experience
  - IV. any voluntary helper
  - V. any person who is borrowed by or hired to the Insured.

### 3. Business

The Business specified in the Schedule conducted solely from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and including

- A. the ownership, maintenance and repair of premises used in connection therewith
- B. the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- C. the execution of private duties by Employees for any partner, director or senior official of the Insured.

### 4. Territorial Limits

- A. Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
- B. any other member country of the European Union
- C. elsewhere in the world in respect of Injury, loss or damage caused by or arising from
  - i. non-manual activities of any partner, director or Employee of the Insured normally resident within the territories specified in Definition 4.A. above and occurring during any journey or temporary visit
  - ii. Products.

### 5. Products

Any goods or other property (including their containers, packaging, labelling and instructions for use) sold, supplied, delivered, installed, erected, repaired, altered, treated or tested by the Insured in connection with the Business and not in the charge or control of the Insured.

### 6. Pollution or Contamination

- A. All pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
- B. all injury, loss or damage directly or indirectly caused by such pollution or contamination.

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

### 7. Offshore Installations

- A. Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- B. any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- C. any pipe or system of pipes in the sea or tidal waters
- D. any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definition 7.A., 7.B. or 7.C. above.

## Cover

- A. The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of accidental
- a. Injury to any person
  - b. loss of or damage to material property
  - c. nuisance, trespass, obstruction or interference with any right of way, light, air or water occurring within the Territorial Limits during the Period of Insurance in connection with the Business.

In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- a. in connection with the defence of any claim
- b. for representation of the Insured
  - i. at any coroner's inquest or fatal accident inquiry in respect of death
  - ii. at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury, loss or damage which may be the subject of indemnity under this Section.

### Limit of Indemnity

- A. the Insurer's liability for all compensation (including interest thereon) and claimants' costs and expenses payable in respect of
- i. any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
  - ii. all Injury, loss and damage occurring during any one Period of Insurance and caused by and arising from Products
  - iii. all Pollution or Contamination which is deemed to have occurred during any one Period of Insurance

shall not exceed the Limit of Indemnity stated in the Schedule.

- B. In respect of all claims against the Insured made within the legal jurisdiction of the United States of America or Canada or any dependency or trust territory the Limit of Indemnity shall be inclusive of the amount of all
- i. claimants' costs and expenses
  - ii. costs and expenses incurred by the Insurer or with the written consent of the Insurer in connection with the defence of such claims.

### B. Indemnity to Other Parties

If the Insured so request the Insurer will indemnify the following parties

- a. any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b. any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured  
as though each party were individually named as the Insured in this Section
- c. any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- ii. the Insurer's liability to the Insured and all parties indemnified shall not exceed in total the Limit of Indemnity specified in the Schedule.

### C. Joint Insured - Cross Liabilities

If more than one party is named as the Insured this Section shall apply as though each were insured separately provided that the Insurer's liability to all parties indemnified shall not exceed in total the Limit of Indemnity shown in the Schedule.

**D. Overseas Personal Liability**

The Business is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner, director or Employee of the Insured or family member of such partner, director or Employee normally resident within the territories specified in Definition 4.A. in the course of any journey or temporary visit to any other country made in connection with the Business.

**E. Motor Contingent Liability**

The Insurer will indemnify the Insured in the terms of this Section against liability arising out of the use in connection with the Business of any vehicle not owned, provided or being driven by the Insured but this Section does not cover liability

- a. in respect of loss of or damage to such vehicle
  - b. arising out of any such use in any country outside the European Union
  - c. incurred by any party other than the Insured
  - d. incurred by any party identified in paragraph B. (Indemnity to Other Parties) other than an Employee.
- For the purpose of this cover Exclusion 1. (Injury to Employees) does not apply.

**F. Health and Safety at Work - Legal Defence Costs**

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a. costs and expenses incurred with the Insurer's written consent
- b. costs and expenses of the prosecution awarded against any such party in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i. the proceedings relate to the health, safety or welfare of any person other than an Employee
- ii. the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a. fines or penalties of any kind
- b. proceedings or appeals in respect of any deliberate act or omission
- c. costs or expenses insured by any other insurance.

**G. Data Protection Act**

The Insurer will indemnify the Insured and at the Insured's request any partner, director or Employee of the Insured against the sums which the Insured or any director, partner or Employee of the Insured become(s) legally liable to pay as compensation, under Section(s) 22 and/or 23 of the Data Protection Act 1984 as amended by the Data Protection Act 1998, for damage or distress caused in connection with the Business during the Period of Insurance provided that the Insured is

- i. a registered user in accordance with the terms of the Act
- ii. not in business as a computer bureau.

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

The Insurer will not pay for

- a. any damage or distress caused by any deliberate act or omission by the Insured the result of which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
- b. any damage or distress caused by any act of fraud or dishonesty
- c. the costs and expenses of rectifying, rewriting or erasing data
- d. liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
- e. the payment of fines or penalties.

#### **H. Defective Premises Act 1972**

The Insurer will indemnify the Insured in the terms of this Section against liability incurred by the Insured under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises or land disposed of by the Insured.

Provided that this Extension does not cover

- a. the costs of rectifying any damage or defect in the premises or land disposed of
- b. liability for which the Insured is entitled to indemnity under any other insurance.

#### **I. Consumer Protection and Food Safety Acts - Legal Defence Costs**

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of legal costs and expenses incurred with the written consent of the Insurer in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a. Part 2 of the Consumer Protection Act 1987
- or
- b. Section(s) 7, 8, 14, and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed during the Period of Insurance in connection with the Business

Provided that the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a. fines or penalties of any kind
- b. proceedings or appeals in respect of any deliberate act or omission
- c. costs or expenses insured by any other policy.

#### **J. Court Attendance Compensation**

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- i. any director or partner           £250
- ii. any Employee                   £150

#### **K. Contractual Liability**

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement, the indemnity provided by this Section shall only apply if the sole conduct and control of any claim is vested in the Insurer.

Provided that the Insurer shall not in any event provide indemnity

- a. under Exclusion 9. a. except as stated therein
- b. in respect of liquidated damages or fines or damages imposed by or payable under any penalty clause.

#### **L. Legionellosis Liability**

Exclusion 4b. shall not apply to any discharge, release, or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like

Provided that

- a. the Insurer will only indemnify the Insured
  - i. in respect of claims arising from Pollution or Contamination which arise out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like first made in writing to the Insured during the Period of Insurance
- or

- ii. if the first notification of a circumstance which has caused or is alleged to have caused Injury or damage and can be reasonably expected to give rise to a claim arising from Pollution or Contamination which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like is notified to the Insurer during the Period of Insurance or within thirty (30) days after expiry of the same Period of Insurance
- b. the liability of the Insurer under this Extension for all compensation (including interest thereon) and claimants costs' and expenses payable shall not exceed £1,000,000 and for all claims arising from Pollution or Contamination shall not exceed the Limit of Indemnity as stated in the Schedule
- c. this Extension shall not apply to any claim arising from Pollution or Contamination which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like if before the Period of Insurance the Insured had become aware of circumstances which have given or may give rise to such Pollution or Contamination.

## Exclusions

This Section does not cover

1. **Injury to Employees**  
Liability in respect of Injury to any Employee arising out of and in the course of the employment or engagement of such person by the Insured.
2. **Work on Offshore Installations**  
Liability in respect of Injury, loss or damage arising in connection with work on or travel to or from Offshore Installations.
3. **Fines, penalties, liquidated, punitive, exemplary or aggravated damages**  
Liability in respect of
  - a. fines, penalties or liquidated damages
  - b. punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages.
4. **Pollution or Contamination**  
Liability in respect of
  - a. Pollution or Contamination occurring in the United States of America or Canada or any dependency or trust territory
  - b. Pollution or Contamination occurring elsewhere unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.
5. **Mechanically Propelled Vehicles**  
Liability arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (or trailer attached thereto) which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply
  - i. while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
  - ii. in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicleexcept where more specifically insured by any other policy.
6. **Vessels or Craft**  
Liability arising out of the ownership, possession or use by or on behalf of the Insured of any vessel or craft designed to travel in, on or through water, air or space (other than hand-propelled watercraft).
7. **Property in the charge or control of the Insured**  
Liability in respect of loss of or damage to any property belonging to or in the charge or control of the Insured other than
  - a. personal effects or vehicles of any partner, director or Employee of or visitor to the Insured
  - b. premises (and their contents) not belonging, leased, rented or hired to the Insured but temporarily in the charge of the Insured for the purpose of carrying out work
  - c. premises (including their fixtures and fittings) leased, rented or hired to the Insured but this Section does not cover liability attaching to the Insured solely under the terms of any tenancy or other agreement.
8. **Damage to Goods Supplied**  
Liability in respect of
  - a. loss of or damage to any goods or other property sold, supplied, delivered, installed or erected by or on behalf of the Insured
  - b. all costs of or arising from the need for making good, removal, repair, rectification, replacement or recall of
    - i. any such goods or property
    - ii. any defective work executed by or on behalf of the Insured

except that 8.a. and 8.b.i above shall not apply to liability in respect of loss of or damage to the said goods or property if such loss or damage is caused by or arises from

1. any alteration, repair or servicing work executed
2. any other goods or property sold, supplied, delivered, installed or erected by the Insured under a separate contract.

**9. Products**

Liability in respect of Injury, loss or damage caused by or arising from Products

- a. any liability which attaches to the Insured solely under the terms of an agreement other than
  - i. under any warranty of goods implied by law
  - ii. under any indemnity clause in any agreement between the Insured and any independent carrier in respect of Injury, loss or damage caused by Products entrusted to such carrier for transit by road, rail or waterway
- b. any Product installed or incorporated in any craft designed to travel in or through air or space and which to the Insured's knowledge was intended to be installed or incorporated in any such craft
- c. any claim made against the Insured in any country outside the European Union in which the Insured occupy premises or are represented by any resident Employee or holder of the Insured's power of attorney.

**10. Advice and Design**

Liability for Injury, loss or damage arising out of or in connection with advice, design, formula, specification, inspection, certification or testing provided or performed for a fee by or on behalf of the Insured other than where provided or performed in connection with any Product.

**11. Contract Works and J.C.T. Clause 21.2.1**

Liability in respect of loss of or damage to any property

- a. comprising or to be incorporated in the contract works in respect of any contract undertaken by the Insured
- b. against which the Insured are required to effect insurance under the terms of Clause 21.2.1. of the J.C.T. (R.I.B.A.) Conditions of Contract or of any other contract condition requiring insurance of a like kind.

**12. Computer Date Recognition**

Liability arising directly or indirectly from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, and whether occurring before, during or after the year 2000, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

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

**13. Excess**

The amount of any Excess specified in the Schedule.

## Section Conditions

### 1. Other Insurances

The Insurer will not indemnify the Insured in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy or section except in respect of any excess beyond the amount payable under such other policy or section or which would have been payable under such other policy or section had this Section not been effected.

### 2. Alteration

If at any time anything shall occur or be done which materially affects the risk insured the Insured shall give immediate notice in writing to the Insurer.

### 3. Discharge of Liability

The Insurer may pay to the Insured in the event of any one claim or series of claims arising out of one occurrence the specified Limit of Indemnity in respect thereof (after deducting therefrom any sums already paid) or any lesser amount for which the claim(s) can be settled and thereafter be under no further liability in respect of such claim or series of claims arising out of one occurrence, except for the amount of any costs and expenses incurred prior to the date of the payment.

## Legal Expenses Insurance

### Important information

#### Legal Advice

**Property Owners Select** policyholders have access to **Lawphone**. This helpline provides advice on any of **your** company's legal matters 24 hours a day, all year round. **We** may record the calls to protect **you**.

Call **Lawphone** on: **0870 241 4140** quoting master policy number **36043**.

#### Employment claims

Please note **we** will only provide this cover if **you** discuss the dispute with **Lawphone** before **you** take any action and follow the advice given.

#### How to make a claim

When **you** call **Lawphone**, please quote Allianz Cornhill Property Owners Select Policy number, **you** will be asked for a brief summary of the problem, and these details will be passed to an advisor who will return **your** call. If **you** need to make a claim, **we** will arrange for a claim form to be sent to **you**. Please fill in the claim form and send to the Claims Department at:

Allianz Cornhill Legal Protection,  
Redwood House,  
Brotherswood Court,  
Great Park Road,  
Bradley Stoke,  
Bristol BS32 4QW

**We** will contact **you** once **we** have received the claim form

#### Customer Service

**Our** aim is to get it right, first time, every time. If **we** make a mistake, **we** will try to put it right promptly. **We** will always confirm to **you**, within five working days, that **we** have received **your** complaint, and do **our** best to sort out the problem within four weeks. If **we** cannot, **we** will let **you** know when **you** can expect the answer.

If **we** have not sorted out the situation within eight weeks, **we** will give **you** information about the Financial Ombudsman Service.

Please contact the Customer Satisfaction Manager at **our** address shown above.

**We keep to the General Insurance Standards Council's (GISC) customer codes.**

**You** can get a copy of the code form **us** at **our** address or from the GISC at:

110 Cannon Street  
London  
EC4N 6EU.

Phone: 020 7648 7810

Fax: 020 7648 7808

E-mail (general enquiries): [enquiries@gisc.co.uk](mailto:enquiries@gisc.co.uk)

Or **you** can get the information on the GISC website at [www.gisc.co.uk](http://www.gisc.co.uk)

### **The meaning of the words**

If **we** explain what a word means, that word has the same meaning wherever it appears in **your** policy. These words are highlighted in bold throughout **your** policy.

### **Your cover**

**We** agree to cover **you** under the terms and conditions of this policy, as long as:

- the event giving rise to the claim happened within the **territorial limit** and within the **period of insurance**;
- the premium has been paid;
- the claim will be decided by a court within the **territorial limit**.
- the claim is not covered under any other insurance policy; and
- there is a reasonable chance of recovering damages or getting another remedy or for a successful defence.

The contract between **you** and **us** is based on the proposal **you** have filled in.

### **The following definitions apply to all sections**

#### **We, us, our**

Allianz Cornhill Legal Protection.

#### **You, your**

The person or organisation named in the schedule and any partners, directors and employees.

#### **Legal representative**

The solicitor, barrister or expert **we** appoint under this policy to represent **you** and protect **your** interests.

#### **Period of insurance**

The period shown in the schedule.

#### **Costs**

Under this policy, **we** will pay the following.

- The professional fees and expenses reasonably and properly charged by the **legal representative**, up to the standard rates set by the courts.
- **Your** opponent's (the other person or organisation in the case) **costs** which **you** are ordered to pay by a court or tribunal.

### **The following definitions apply to Standard cover and Business Legal Expenses**

#### **Territorial limit**

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

#### **Territorial limit (for Personal Injury cover only)**

Great Britain, Northern Ireland, the Channel Islands, the Isle of Man, Andorra, Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Gibraltar, Greece, Hungary, Italy, Liechtenstein, Luxembourg, Monaco, the Netherlands, Norway, Poland, Portugal, the Republic of Ireland, San Marino, Slovakia, Slovenia, Spain, Sweden, Switzerland and Turkey.

#### **Award**

An unfair dismissal basic **award**, an unfair dismissal compensatory **award**, an unfair dismissal additional **award**.

#### **The property**

The property owned by **you** and declared to **us**.

#### **The tenant**

The person (or people) who rents the **property** from **you**.

#### **Tenancy agreement**

The agreement under which **you** let **your property** to the **tenant** on a non residential basis.

1. **Standard cover** (where specified as Insured in the Schedule)

**Prosecution defence**

**What is covered under Prosecution defence**

**We** will pay the **costs** of defending **your** legal rights (including making an appeal against your conviction or sentence) after any event which results in criminal proceedings being brought against **you** for an offence arising out of **your** business activities.

**We** will provide this cover as long as the criminal act **you** are accused of occurred during the **period of insurance**.

The most **we** will pay for all claims arising from one event is £50,000

**What is not covered under Prosecution defence**

**We** will not provide cover for

1. Any pollution incident
2. Any prosecution relating to owning, driving or using a motor vehicle.

**Property**

**What is covered under Property**

**We** will pay the **costs** for **you** to take legal action over a dispute relating to:

- physical damage caused to **your** business premises by another person or organisation;
- physical damage caused by another person or organisation to **property** which **you** own or are legally responsible for and which is in or on **your** business premises; or

The most **we** will pay for all claims arising from one event is £50,000

**What is not covered under Property**

**We** will not provide cover for the following:

1. Property damage caused by mining or subsidence.
2. Property damage relating to driving or using a motor vehicle.

## 2. Business Legal Expenses (where specified as Insured in the schedule)

### Employment contract

#### What is covered under Employment contract

We will pay the **costs** of defending **your** legal rights after any event which results in civil proceedings being brought against **you** by an employee over a dispute relating to a contract for permanent employment.

Once **we** have defended **your** legal rights, **we** will pay any **award** the court or tribunal orders **you** to pay.

We will provide this cover as long as **you** discuss the dispute with **Lawphone** before **you** take any action and follow the advice given.

The most **we** will pay for all claims arising from one event is £50,000, apart from **Awards** where the most **we** will pay for all claims arising from one event is £25,000

#### What is not covered under Employment contract

We will not provide cover for the following.

1. Any dispute arising in the first three months of the date this policy starts.
2. Any dispute arising in the first six months of this policy with an employee **you** have given a verbal or written warning to in the six months leading up to the date this policy starts.
3. Any dispute over redundancy.
4. Any dispute if **you** have not followed the full disciplinary procedure set out in **your** contracts of employment.
5. Anything to do with sub contracting or contracts for services with anyone who is self-employed.
6. Any dispute with a company director unless the action is brought at an employment tribunal.
7. Any dispute where you are accused of constructive dismissal.

### Commercial tenancy disputes

#### What is covered under Commercial tenancy disputes

We will pay the **costs** for **you** to take legal action over a dispute about **your** tenancy agreement.

The most **we** will pay for all claims arising from one event is £50,000.

#### What is not covered under Commercial tenancy disputes

We will not provide cover for disputes over rent, business rate or service charges.

### Tax & VAT

#### What is covered under Tax & VAT

We will pay the **costs** for **you** to appeal against any terms and conditions put on **you** by the Inland Revenue or HM Customs and Excise after finishing an in-depth investigation into **your** most recent accounts for the following.

- **Your** PAYE tax arrangements.
- **Your** business tax arrangements.
- **Your** VAT arrangements.

We will provide this cover as long as:

- **you** have kept to the legal requirements for keeping **your** accounts and tax returns;
- **you** have made all account and tax returns within the time limits allowed; and
- **you** were VAT registered when the VAT offence **you** are accused of happened.

The most **we** will pay for all claims arising from one event is £25,000

#### What is not covered under Tax & VAT

We will not provide cover for the following:

1. Any investigation into criminal activities **you** are accused of.
2. Representations during an in-depth investigation.
3. Investigations started before the start date of this policy.

## **Licence protection**

### **What is covered under Licence protection**

**We** will pay the **costs** of defending **your** legal rights after any event which results in a hearing about withdrawing, restricting or suspending **your** business licence.

The most **we** will pay for all claims arising from one event is £50,000

### **What is not covered under Licence protection**

**We** will not provide cover for the following:

1. Hearings arising out of a commercial decision by **you**.
2. **Your** first application for or standard renewal of **your** licence
3. Any licence appeal relating to owning, driving or using a motor vehicle
4. Anything to do with drugs offences.
5. Anything to do with under age drinking.

### **What is not covered under Standard cover and Business Legal Expenses**

**We** will not provide cover for 10% of all **costs** **you** cannot get back at the end of the claim.

## **Jury service**

### **What is covered under Jury service**

If **you** have to go to court for jury service, **we** will pay **your** salary or wages that **you** cannot get back from the court.

The most **we** will pay is £100 a day for a maximum of 20 days.

## **Personal injury**

### **What is covered under Personal injury**

**We** will pay the **costs** of **you** taking legal action against another person as a result of an event which causes **your** death or bodily injury and which occurs in the **territorial limits**. Any action arising from the event must also be brought within the **territorial limits**.

The most **we** will pay for all claims arising from one event is £50,000

### **What is not covered under Personal injury**

**We** will not provide cover for the following:

1. Disputes between **you** and **your** employees.
2. Personal injury relating to driving a motor vehicle.

### **The following conditions apply to Standard cover and Business Legal Expenses**

If **you** do not keep to the conditions **we** may cancel the policy, refuse any claim and withdraw from any current claims.

#### **1. You must do the following**

Make **your** claim within six months from the date of the event which gave rise to the dispute.

#### **2. Your legal representative must do the following**

Tell **us** immediately if the other person or organisation in the case makes a payment into court or any offer to settle the matter.

### 3. Residential lettings (where specified as insured in the Schedule)

#### The following definitions apply to Residential lettings

##### The agent

Your property letting or managing agent.

##### The property

The property owned by **you** and declared to **us** and let to the **tenant** on a residential basis.

##### Guarantor

The person (or people) guaranteeing to meet the **tenant's** obligations if he or she (or they) fail to.

##### Rent

The amount the **tenant** must pay **you** or **the agent**, as set out in the **tenancy agreement**.

##### Deposit

The amount the **tenant** pays to **you** or **the agent** to cover damage to the **property**, unpaid **rent** or any other liability of the **tenant** as set out in the **tenancy agreement**.

##### Territorial limit

Great Britain

##### Tenancy agreement

The agreement under which **you** let the **property** to the **tenant**. The agreement must be signed by **you** (or the **Agent**) and the **tenant** and must be:

- an assured tenancy (under grounds 1 or 2 of schedule 2 of the Housing Act 1988 as updated and amended by the Housing Act 1996);
- an assured shorthold tenancy (within the meaning of the Housing Act 1988 as updated and amended by the Housing Act 1996);
- a short assured tenancy or assured tenancy (as defined in the Housing [ Scotland ] Act 1988 and any change to that act); or
- an agreement in which the **tenant** is a limited company or the **rent** is more than £25,000 a year.

##### The tenant

The person (or people) who rents the **property** from **you**.

##### What is covered under Residential Lettings

**We** will pay the **costs** of **you** taking the following action against the **tenant** after he or she has broken the **tenancy agreement**.

- Taking action to evict the **tenant**.
- Recovering **rent** owed by the **tenant**, including the **cost** of up to two enforcement actions.
- Action against the **tenant** if he or she has not kept the **property** in a good state of repair. The amount in dispute must always be greater than £250.

The most **we** will pay for all claims arising from one event is £25,000.

##### What is not covered under Residential Lettings

**We** will not provide cover for the following.

1. Any claim where the amount in dispute is under £250 at any time.
2. Any dispute which happens within 3 months of the start of this policy unless the **tenancy agreement** began after the policy started.
3. Any claim arising out of a contract you have with any person or organisation other than the **tenant**.
4. Any claim made more than 2 months following the event giving rise to the dispute.

## Conditions of Residential Lettings

If **you** do not keep to the conditions **we** may cancel the policy, refuse any claim and withdraw from any current claims.

### 1. You must do the following.

- a) Keep to all the conditions of **your** mortgage and **tenancy agreement**.
- b) Make **your** claim within 2 months of the event giving rise to the dispute.
- c) Make sure that **you** ( or the **agent** ) have the following from each **tenant** before the **tenancy agreement** begins:
  - One satisfactory financial or credit reference and one other satisfactory written reference.
  - A **deposit** of at least one month's **rent**.If a **guarantor** is being used **we** need these things from him or her.
- d) Make sure that **you** (or the **agent**) do the following.
  - Prepare a comprehensive inventory of the contents and condition of **the property**. This inventory must be signed by **you** (or **the agent**) and the **tenant**.
  - Check the inventory against the contents and condition of the **property**, while the **tenant** is there, at the time the **tenant** leaves the **property**. If the **tenant** leaves without warning, **you** (or the **agent**) must check the inventory as soon as **you** (or the **agent**) find out the **tenant** has left.
  - Sends letters at the following intervals to the **tenant** when **rent** is not paid:
    - i) within 7 days to find out why the **rent** has not been paid and to ask for payment; and
    - ii) after 14 days to demand payment of the **rent** and to tell the **tenant** that he or she risks losing the tenancy if the **rent** continues to be unpaid; and
    - iii) after 21 days to tell the **tenant** that legal action will be taken against him or her unless the **rent** arrears are paid within the next 7 days.
- e) These are the minimum requirements on **you** (or the **agent**) and should be included in the usual credit control procedures used by **you** (or the **agent**).

### 2. Your legal representative must do the following.

Tell **us** straightaway if the **tenant** makes a payment into court or any offer to settle the matter.

### What is not covered under any section

**We** will not provide cover for the following:

1. Any claim directly or indirectly caused by or resulting from any equipment (whoever owns it) failing to recognise, interpret or deal with the change to the year 2000 or any other date.
2. Any fines or penalties.
3. Any application for a judicial review.
4. Disputes relating to share rights.
5. Anything to do with franchise or distribution agreements.
6. Any claim to do with patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
7. Disputes between **you** and **us**, except as dealt with under condition 7.
8. **Costs we** have not agreed to in writing.
9. Any **costs** covered by another insurance policy.
10. **Costs you** have paid directly to the **legal representative** or any other person without **our** permission.
11. Any VAT which **you** can recover from elsewhere.
12. Claims directly or indirectly caused by, contributed to or arising from:
  - ionising radiation or radioactive contamination from nuclear fuel or from any nuclear waste arising from burning nuclear fuel; or
  - the radioactive, toxic, explosive or other dangerous properties of any nuclear equipment or nuclear part of that equipment.
13. Claims arising from war, invasion, riot, revolution or a similar event.
14. Disputes or claims arising from anything **you** did deliberately or recklessly.
15. Any claim while:
  - **you** are insolvent (or have committed an act of insolvency);
  - **you** have made an arrangement with the people **you** owe money to;
  - **you** have entered into a deed or arrangement;
  - **you** are in liquidation;
  - part or all of **your** affairs, assets or property are in the care or control of a receiver or a liquidator; or
  - there is an administration order over **your** affairs, assets or property.

## Conditions of all sections

If **you** do not keep to the conditions **we** may cancel the policy, refuse any claim and withdraw from any current claims.

### 1. Change of risk

**You** must immediately tell **us** about any change in circumstance which might affect **our** liability.

**You** must also give **us** any further information **we** need and pay the appropriate extra premium or receive a refund of premium (as the case may be).

### 2. You must do the following

- a) Give **us** written details of **your** claim along with any other supporting information **we** ask for.
- b) Follow the **legal representative's** advice and provide any information he or she asks for.
- c) Take every step to recover **costs** and pay them to **us**.
- d) Get **our** written permission before making an appeal.
- e) Make sure that **your legal representative** keeps to condition 3 below.

### 3. Your legal representative must do the following

- a) Get **our** written permission before instructing a barrister or expert witness.
- b) Tell **us** if, at any stage, there is no longer a reasonable chance of getting back damages or defending **your** claim successfully or another way of sorting the matter out.
- c) Report the result of the claim to **us** when it is finished.

### 4. We will have the right to do the following

- a) Take over and conduct, in **your** name, any claim or proceedings.
- b) Settle a claim by paying the amount in dispute.
- c) Appoint the **legal representative** in **your** name and on **your** behalf.
- d) Have any legal bill audited or assessed.
- e) Contact the **legal representative** at any time, and have access to all statements, opinions and reports.
- f) End **your** cover if, during the course of the claim, **we** think there is no longer a reasonable chance of success. If **you** continue the claim and get a better settlement than **we** expected, **we** will pay **your** reasonable **costs** which **you** cannot get back from anywhere else.
- g) At the end of the claim, settle the **costs** covered by this policy if you cannot get those **costs** back from anywhere else.

### 5. Your agreements with others

**We** will not have to keep to any agreement between **you** and the **legal representative** or **you** and any other person or organisation.

### 6. Choosing the legal representative

When **you** need to start legal proceedings **you** can choose the **legal representative**.

**You** must send his or her name and address to **us**. If **we** do not agree with **your** choice, **we** will settle the matter as set out under condition 7 below.

When choosing the **legal representative**, **you** must remember **your** duty to keep the cost of any claim or legal proceedings as low as possible.

#### 7. Disputes

If there is a dispute between **you** and **us**, the matter may be referred to an arbitrator who **you** and **we** agree to. If **we** cannot agree on an arbitrator, one will be chosen by the President of the Law Society or by the Chairman of the Bar Council.

The person the arbitrator's decision goes against will pay all the costs of arbitration. If the decision is not clearly made against either **you** or **us**, the arbitrator will decide how **you** and **we** will share the **costs** of arbitration.

#### 8. Cancellation

**You** or **we** may cancel the policy 30 days after giving notice by recorded delivery. Cancelling the policy will not affect **your** right to claim for an event which occurred before the date the policy was cancelled.

#### 9. Notices

Every notice which needs to be given under this policy must be given in writing.

- a) If **you** give **us** notice, **you** must send it to **our** head office.
- b) If **we** give **you** notice, **we** must send it to **your** last known address.

#### 10. Governing law

This section of the policy will be governed by the law of England and Wales.

## Terrorism Section

### Definitions

#### Act of Terrorism

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

#### Event

All individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same **Act of Terrorism**. The date and time that any such period of 72 hours shall commence shall be set by **the Insurer**.

#### Territorial Limits

England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987.

Note 1. This shall include the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury.

Note 2. For the avoidance of doubt, this excludes Northern Ireland, the Isle of Man and the Channel Islands.

#### General Cover Policy

a. This **Policy**  
or

b. where the Cover by this **Policy** is limited to the **Terrorism Insurance Section** only, the policy or policies specified in the **Terrorism Section** of the **Schedule** to this **Policy**.

#### Property Insured

Property as detailed in the **Schedule** to any **General Cover Policy** but excluding

1. property insured under a
  - a. Marine, Aviation or Transit policy
  - b. Motor Insurance policy (other than Motor Trade policy)
  - c. Road Risks Section of a Motor Trade policy
  - d. reinsurance policy or agreementwhether such policy or agreement includes cover for an Act of Terrorism or not
2. any land or building which is insured in the name of an individual and is occupied by that individual for residential purposes, unless
  - a. insured under the same policy as the remainder of the building which is not a private residence
  - b. the building is a block of flats
3. any **Nuclear Installation** or **Nuclear Reactor**.

#### Damage

Loss or destruction of or damage to **Property Insured**.

#### Consequential Loss

Loss resulting from interruption of or interference with the **Business** carried on by **the Insured** at the **Premises** in consequence of loss or destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business**.

**Nuclear Installation**

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

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

**Nuclear Reactor**

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

**Virus or Similar Mechanism**

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

**Hacking**

Unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data, whether the property of **the Insured** or not.

**Denial of Service Attack**

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

## Cover

The Insurer will pay the Insured for

a. **Damage**, or

b. **Consequential Loss**

occasioned by or happening through or in consequence of an **Act of Terrorism** within the **Territorial Limits**

Provided always that the insurance by this **Section**

a. is not subject to the General Exclusions of the **General Cover Policy**

b. is subject otherwise to all the terms and conditions of the **General Cover Policy** except where expressly varied within this **Section**

c. is subject to a maximum **Period of Insurance** of 12 months from the Effective Date or any subsequent Renewal Date of this **Policy**

Any subsequent period of cover of 12 months, or part thereof, provided by this **Section** is deemed to constitute a separate **Period of Insurance**, provided that

i. no subsequent **Period of Insurance** by this **Section** shall extend beyond the next Renewal Date of this **Policy**

ii. the renewal premium due in respect of this **Section** has been received by **the Insurer**

d. is not subject to any Long Term Undertaking applying to the **General Cover Policy**.

## Basis of Settlement

As described in and subject to the terms, definitions, provisions, exclusions and conditions of any **General Cover Policy** in respect of **Damage** or **Consequential Loss**.

The most **the Insurer** will pay for any one **Event** is

a. the **Total Sum Insured**, or

b. for each item its individual **Sum Insured**, or

c. any other limit of liability

in the **General Cover Policy**, whichever is the less.

## Section Exclusions

The Insurer will not pay for

1. Digital and Cyber Risk Exclusion

any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from

**Damage** to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of **the Insured** or not, where such **Damage** is caused by **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack**

or

**Consequential Loss** directly or indirectly caused by or arising from **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack**.

2. Riot, Civil Commotion and War

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

3. Territorial Limits

any losses whatsoever arising directly or indirectly from any cover or extension of **Premises** provided by the **General Cover Policy** to locations outside the **Territorial Limits**.

## Section Conditions

1. Burden of Proof

In any action suit or other proceedings where **the Insurer** alleges that any damage or loss resulting from damage is not covered by the **General Cover Policy**, the burden of proving that such damage or loss is covered shall be upon **the Insured**.

**Client News - Important Information**

This letter sets out some important new information relating to your policy concerning:

**Complaints**

Our aim is to get it right, first time every time. If we make a mistake we will try to put it right promptly.

We will always confirm to you the receipt of your complaint within five working days and do our best to resolve the problem within four weeks. If we cannot we will let you know when an answer may be expected.

If we have not resolved the situation within eight weeks we will provide you with information about the Financial Ombudsman Service.

Should you wish to make a complaint then it should be directed to the Customer Satisfaction Manager at the Allianz Cornhill location shown in your policy documentation or alternatively contact the Customer Satisfaction Manager at :

Allianz Cornhill Insurance plc  
57 Ladymead, Guildford, Surrey GU1 1DB

Telephone number 01483 552438

Using our complaints procedure or referral to the Financial Ombudsman Service does not affect your legal rights.

**Financial Services Compensation Scheme**

Allianz Cornhill contributes to the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities. For compulsory insurance you may be entitled to compensation up to 100% of the claim. For all other types of insurance you may be entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim. Further information about compensation scheme arrangements is available from the FSCS.

**Law Applicable**

The following condition is added to your policy and replaces any previous Law Applicable Condition :

**Law Applicable to Contract**

Unless We agree otherwise:

- a) the language of the policy and all communications relating to it will be English; and
- b) all aspects of the policy including negotiation and performance are subject to English law and the decisions of English courts.

**New policy document**

Should you require it a new policy document can be supplied at renewal.

Allianz Cornhill Insurance plc.  
Registered in England number 84638. Registered Office: 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.

Allianz Cornhill Insurance plc is authorised and regulated by the Financial Services Authority, our registration number is 121849 and this can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

Allianz Cornhill Insurance plc is a member of the Financial Ombudsman Service and the Association of British Insurers.

[www.allianzcornhill.co.uk](http://www.allianzcornhill.co.uk)