



GIANT

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Important Helplines

Claims for all Sections other than 6, 7, 8 & 9

Your claims will be dealt with by **Davies Managed Systems Limited (DMS)**.

Your claims should be notified to DMS by Telephone: 0344 856 2035 (*other than* Sections 4, 5, 6, 7, 8 and 9)

For **Section 4 – Employers’ Liability and Section 5 – Property Owners’ Public and Products Liability** claims Telephone: 0344 856 2135

For full details of how to make a claim please refer to **Section 13 – Claims Procedure**.

Claims for Section 6 – Legal Expenses

If You have a claim under **Section 6(a) – Commercial Legal Protection**, please Telephone: 0117 934 2111

Other services provided under Section 6(a) – Commercial Legal Protection (see Section 6(a) for full details)

EuroLaw Commercial Legal Advice	0117 934 2111
Tax Advice	0117 934 2111
Business Assistance	0117 934 2111

Counselling (calls not recorded)	0117 934 2121
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If You have a claim under **Section 6(b) – Property Let Legal Protection**, please Telephone: 0117 934 0553

Other services provided under Section 6(b) – Property Let Legal Protection (see Section 6(b) for full details)

EuroLaw Legal Advice	0117 934 0553
Tax Advice	0117 934 0553
Domestic Assistance	0117 934 0553

Counselling (calls not recorded)	0117 934 2121
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For full details of how to make a claim please refer to **Section 6 – Legal Expenses**.

Claims for Section 7 – Directors and Officers Liability

Please notify your claims in the first instance to the insurance broker who arranged this policy for you.

Alternatively please contact Giant Risk Solutions Limited on the following number:

0845 309 6570;

For full details of how to make a claim please refer to **Section 13 – Claims Procedure**.

Claims for Section 8 – Equipment Breakdown & Section 9 – Cyber

If Your claim relates to Section 8 – Equipment Breakdown or Section 9 – Cyber it will be administered by HSB Engineering Insurance Ltd; telephone 0330 100 3432

For full details of how to make a claim please refer to **Section 13 – Claims Procedure**.

Welcome

Introduction to Your Property Owners Insurance

This document sets out the terms and conditions of the contract of insurance between You and the Insurer.

This document, the Schedule and any endorsements applying to this insurance form Your Property Owners insurance Policy and should be read as if they were one document.

Please read this document carefully. It is laid out in Sections. It is important that:

- You understand what each Section covers and does not cover;
- You understand Your own duties under each Section and under the insurance as a whole.

If there is anything You do not understand or any aspect of the Policy does not meet Your requirements, You should contact the Insurance Broker who arranged this Policy for You.

Sections 1 – 5 are underwritten by: Great Lakes Insurance SE, UK Branch

Great Lakes Insurance SE is a German insurance company with its headquarters at Königinstraße 107, 80802 Munich. Registered with the commercial register of the local court of Munich under number: HRB 230378. UK Branch office: Plantation Place, 30 Fenchurch Street, London, EC3M 3AJ.

Great Lakes Insurance SE, UK Branch is authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of Our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from Us on request.

Section 6 – Legal Expenses is underwritten by: DAS Legal Expenses Insurance Company Limited

This Section is underwritten by DAS Legal Expenses Insurance Company Limited. Registered in England and Wales. No.103274. Registered office: DAS House, Quay Side, Temple Back, Bristol BS1 6NH. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. (Financial Services Register No. 202106).

Section 7 – Directors and Officers Liability is underwritten by: Probitas 1492 Services Limited

This Section is underwritten by Probitas 1492 Services Limited. Probitas 1492 Services Limited (registered number 713847) is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA.

Sections 8 and 9 are underwritten by: HSB Engineering Insurance Limited

This Section is underwritten by HSB Engineering Insurance Limited. Registered in England and Wales No. 02396114, New London House, 6 London Street, London EC3R 7LP. Registered as a branch in Ireland: 906020. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

About Your Insurance Broker

Your Insurance Broker is the organisation that You arranged this insurance with and should be Your first point of contact for any queries You may have on the Policy, other than claims. Claims contact numbers can be found under the Important Helplines Section of this document.

See also Section 13 – **Claims Procedure** and Section 14 – **Enquiries and Complaints Procedure**

Your obligations

Our acceptance of the risks insured is based on the information You have provided to Us in the Proposal. You have an obligation at the start of this insurance and at renewal to make a fair presentation of the risks which are relevant to Your Business. This includes any special or unusual circumstances which increase those risks and any particular concerns which have led You to seek this insurance. You must disclose to the Insurer all material facts which you know or ought to know about Your Business. Material facts are those which are relevant to the underwriting of a risk. They may be relevant (for example) either to the physical risk or to the personal background and characteristics (including the financial history) of You and Your Employees, senior management, directors, partners and owners of Your Business. Your Business should have a system in place to ensure that all material facts are disclosed, including what should reasonably be revealed by a reasonable search of information available to You, whether the search is conducted by making enquiries or by any other means.

Giant Risk Solutions Ltd

Your Policy has been arranged through Giant Risk Solutions Ltd. Giant Risk Solutions Ltd is a limited company registered in England under company number SC295675. The registered office of Giant Risk Solutions Ltd is:

Titanium 1, King's Inch Place, Glasgow, G51 4BP.

Giant Risk Solutions Ltd is authorised and regulated by the FCA as an insurance intermediary with registered number 452614 and may be found on the Financial Services Register at <http://www.fsa.gov.uk/register/home.do>.

IMPORTANT NOTE (AGENCY)

Giant Risk Solutions Ltd acts as agent for the Insurers for all matters relating to the performance of agreements which grants Giant Risk Solutions Ltd authority to underwrite business on behalf of the Insurers.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No Insurer shall be deemed to provide cover and no Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

LMA3100 (amended)

SEVERAL LIABILITY CLAUSE

The subscribing Insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurers are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligation.

LSW1001

Your Policy

This Policy is a legally binding contract which You have made with the Insurer.

The Insurer has agreed to provide the insurance described in this Policy or in any endorsement applying to this Policy for the Period of Insurance specified in the Schedule. The insurance provided by this Policy covers any loss, damage, destruction, accident or liability that happens during the Period of Insurance in accordance with the Sections of the Policy shown in the Schedule for which You have paid or agreed to pay the premium. The Insurer will indemnify or compensate You by payment or, at their option, replace reinstate or repair lost, damaged or destroyed property.

Our continued acceptance of the risk is based on any changes from the original information presented being advised to and accepted by Us.

The Policy contains many Sections and the Schedule identifies the Sections that are operative. A new Schedule will be issued to record any amendments to the cover. Please refer to the replacement documents and the Policy to see what cover is currently in force. Any expression to which a specific meaning has been attached in Section 10 – General Definitions or in any other Section of this Policy shall bear that meaning wherever it appears.

A different Insurer may provide the cover under certain Sections of this insurance. The name of the Insurer providing cover under that Section will be shown in the Section and on the Schedule.

Unless the Insurer and You agree otherwise, this Policy shall be subject to and construed solely in accordance with the law of England and Wales. The Insurer and You agree that all disputes arising out of or in connection with this Policy shall be subject to the exclusive jurisdiction of the courts of England and Wales.

Data Privacy Notice

Data Privacy Notice

The privacy and security of Your personal information is very important to the Insurer. The details provided here are a summary of how We process – that is collect, use, share, transfer and store – Your information.

For Our full Data Privacy Notice please visit Our website; the link is [here](#) or alternatively contact Our Data Protection Officer at: Plantation Place, 30 Fenchurch Street, London, EC3M 3AJ or by emailing: datenschutz@munichre.com or by telephoning: 0203 003 7000.

Your insurance brokers or other intermediaries may have their own reasons for processing Your personal data. Please contact them directly should You require further information about their uses of Your data.

Collection of data

The Insurer may collect a range of personal and business information supplied by You or third parties on Your behalf. This information may include the following: basic personal details such as Your name, address, telephone number, date of birth or age, gender, marital status, and additional information about Your insurance requirements, such as details of Your Business.

If necessary the Insurer may also need to collect and process sensitive personal information relating to individuals who may benefit from the Policy, such as medical history, credit history and/or disclosures about previous unspent criminal convictions.

We will always attempt to explain clearly when and why We need this information and the purposes for which We will use it and where necessary We will obtain Your explicit consent to use sensitive personal data.

The Insurer may also collect data about You, Your Business or the property We insure from a number of different sources, including but not limited to the electoral role, third party databases available to the insurance industry, other insurance firms, loss adjusters and/or other parties involved in the process of administering a claim, as well as publicly available sources.

Personal data about others

We may collect data about other individuals, such as Employees, family, or members of Your household. If You give Us information about another person, it is Your responsibility to ensure and confirm that You have told that person why and how the Insurer uses personal data and that You have that person's permission to provide that data (including any sensitive personal data) to Us and for Us to process it.

Our uses of data

The Insurer uses the data We collect to operate Our business and provide the products We offer. The information We collect may be used for (amongst other purposes) the following: to assess Your application for a quote or product; to evaluate the risk You present; to verify Your identity; to administer Your Policy and deliver Our services; to conduct statistical analysis for pricing purposes; to administer claims; and to investigate and resolve complaints.

Should the need arise, the Insurer may also use data for the following purposes: to collate Your Policy or claims history; to undertake credit referencing or credit scoring and to assist with financial crime and fraud detection.

Sharing Your data

If You request a quote, or purchase a product, Your personal information may be shared with and processed by a number of third parties which include but are not limited to regulatory, dispute resolution or law enforcement bodies; other insurance organisations including reinsurers; fraud prevention and credit reference agencies (who may keep a record of the search); or other relevant third parties within Our administrative structure.

Your data may be disclosed when We believe in good faith that the disclosure is required by law; necessary to protect the safety of Our employees or the public; required to comply with a judicial proceeding, court order or legal process; or for the prevention or detection of crime (including fraud).

Employers' Liability Tracing Office

If Your Policy provides Employers' Liability cover, information relating to Your insurance Policy will be provided to the Employers' Liability Tracing Office (ELTO) and added to an electronic database, in a format set out by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011 and subsequent Instruments.

The ELTO database assists individual claimants who have suffered an injury or disease arising out of their course of employment whilst working for employers carrying on, or who carried on, business in the UK and as a result are covered by the employers' liability insurance of their employers:

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The database and the data stored on it may be accessed and used by claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law. The database is managed by the ELTO and further information can be found on the ELTO website <http://www.elto.org.uk>.

Transfer and Storage of Your Data Overseas

Personal details may be transferred to countries outside the European Economic Area (EEA). They will at all times be held securely and handled with the utmost care in accordance with all applicable principles of English law. Personal details will not be transferred outside the EEA unless the transfer is to a country which is considered to have equivalent standards with regard to data protection, or We have taken reasonable steps to ensure that suitable data protection standards are in place.

Data Retention

The Insurer will only keep data for as long as it is necessary to continue providing Our products and services to You and/or to fulfil Our legal and regulatory obligations. Please refer to Our full Data Privacy Notice for more information.

Data Subject Rights

You have a number of rights in relation to the information We hold about You. These rights include but are not limited to the right to a copy of Your personal information We hold; to object to the use of Your personal information; to withdraw any permission You have previously provided; and to complain to the Information Commissioner's Office at any time if You are not satisfied with Our use of Your information. For a more complete list of Your rights please refer to the full Data Privacy Notice.

Please note that there are times when We will not be able to delete Your information. This may be as a result of a requirement to fulfil Our legal and regulatory obligations, or where there is a minimum statutory period of time for which We have to keep Your information. If We are unable to fulfil a request We will always let You know Our reasons.

Changes to this Data Privacy Notice

We may amend this Data Privacy Notice from time to time for example, to keep it up to date or to comply with legal requirements. Should any significant changes be made to the ways in which the Insurer processes data from those described at the time of collection, We will post a notice on Our website.

Section 1 – Property Damage

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 1 – Property Damage

Buildings

Buildings described in the Schedule, and including:

- a) landlords' fixtures and fittings;
- b) tenants' improvements for which the landlord is responsible in, on or around the Buildings;
- c) outbuildings, extensions, annexes, tunnels, canopies, fixed signs, gangways, conveniences, loading bay service areas, lamp posts and street and garden furniture, swimming pools and tennis courts;
- d) walls, gates and fences;
- e) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the Premises, and extending to the public mains, but only to the extent of Your responsibility;
- f) yards, car parks, roads, pavements, forecourts, all constructed of solid materials;
- g) building management and security systems; and
- h) septic tanks, water, oil and gas fuel storage tanks and ancillary equipment & pipework

all being Your property or for which You are responsible and situate at the Premises.

Contents

Fixtures and fittings (not forming a permanent part of the structure), furniture, furnishings, utensils and domestic appliances for which You are responsible up to an amount not exceeding £5,000 (unless specifically stated otherwise in the Schedule) at each Building and not within the common parts of each Building where there is provision for more than one tenant and Landlords Contents in the common parts of each Building (where there is provision for more than one tenant) and to which all tenants have access for an amount not exceeding £10,000 (unless specifically stated otherwise in the Schedule) and including:

- a) the contents of fuel tanks at the Premises;
- b) portable communal property in the open grounds of and used in connection with the Buildings at the Premises;
- c) Money for an amount not exceeding £1,000 in total;
- d) deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour expended in reproducing such records;
- e) computer system 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 or the Sum Insured as stated above or as amended in the Schedule.

And so far as they are not otherwise insured:

- f) Employees', directors', partners', customers' and visitors' personal effects of every description (other than motor vehicles) not otherwise insured, for an amount not exceeding £500 in respect of any one person.

Damage

Damage shall mean accidental loss or destruction of or damage to the Property Insured.

Declared Value

Your assessment of the cost of reinstatement of the Property Insured at a level of costs applying at the time that such values are required by the Insurer as the basis for the calculation of the Policy premium (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for:

- a) debris removal costs;
- b) professional fees; and
- c) additional cost of reinstatement to comply with European Community and Public Authority requirements.

Excess

The first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

Money

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, unused units in franking machines, National Savings Stamps and Certificates, National Insurance Stamps, trading stamps, gift tokens, customer redemption vouchers, VAT purchase receipts, credit company sales vouchers, credit card counterfoils, travellers tickets, holidays with pay stamps and luncheon vouchers.

Section 1 – Property Damage

Non-Standard Construction

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

Standard Construction

Brick, stone or concrete built and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic rooflights.

Territorial Limits

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

Unoccupied

Unoccupied shall mean any Building or part thereof that is:

- (i) not in active use and/or
- (ii) untenanted and/or
- (iii) empty, void, vacant or disused and/or
- (iv) awaiting refurbishment, redevelopment, renovation or demolition.

Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance at the Premises and caused by any of the following Perils if shown as operative in the Schedule.

Property Insured

Building(s) and **Contents** at the Premises as described on the Schedule.

The values shown on the Schedule represent the maximum values at risk.

Limit of Liability

The liability of the Insurer under this Section shall not exceed in the whole the Total Sum Insured or the Sum Insured in respect of each item or any other Limit of Liability as stated herein or in the Schedule.

The Sum Insured under each item is separately subject to Average.

Perils

(Operative only if stated in the Schedule)

- A) Fire excluding Damage by explosion resulting from fire.
- B) Lightning.
- C) Aircraft or other aerial devices or articles dropped therefrom.
- D) Explosion excluding Damage caused by the bursting of any boiler or other plant which belongs to You or is under Your control and in which internal pressure is due to steam only, but this shall not exclude Damage caused by explosion of:
 - i) any boiler
 - ii) gasused for domestic purposes only.
- E) Earthquake excluding Damage caused by fire.
- F) Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons excluding:
 - a) Damage arising from nationalisation confiscation requisition seizure or destruction by order of the government or any public authority;
 - b) Damage arising from cessation of work;
 - c) Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days;
 - d) Damage directly caused in the course of theft or attempted theft by malicious persons not acting on behalf of or in connection with any political organisation:

Section 1 – Property Damage

- G)** Storm or flood excluding:
- Damage solely due to change in the water table level;
 - Damage caused by frost subsidence ground heave or landslip;
 - Damage to fences and gates unless caused by falling trees or there is Damage to structural parts of the Buildings at the same time;
 - Damage to trees plants shrubs and turf unless there is Damage to the Buildings at the same time.
- H)** Escape of water or oil from any tank apparatus pipe or appliance excluding:
- Damage by water discharged or leaking from an automatic sprinkler installation;
 - Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days during the period from the 1st October to the 31st March inclusive.
- Exclusion b) above shall not apply in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days during the period from the 1st October to the 31st March inclusive if:
- the central heating system is kept running 24 hours a day to maintain a minimum temperature of 12° Celsius; or
 - a boiler frost thermostat is operational which protects both the boiler and the Building if the temperature falls below 5° Celsius.
- I)** Impact by any road or rail vehicle (including any fork lift truck or other industrial vehicle) or animal.
- J)** Accidental escape of water from any automatic sprinkler installation excluding:
- Damage by freezing in any building which is Unoccupied for a period in excess of ten consecutive days;
 - Damage by heat caused by fire.
- K)** Theft or attempted theft excluding:
- any loss which the Insured is able to recover from another source;
 - property in the open;
 - property in outbuildings, in open fronted buildings or in buildings not on permanent foundations;
 - Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days;
- L)** Subsidence ground heave or landslip excluding:
- Damage arising from the settlement or movement of made-up ground or by coastal or river erosion;
 - Damage resulting from:
 - the construction demolition structural alteration or structural repair of any property;
 - groundworks or excavation works;at the Premises.
 - Damage arising from normal settlement or bedding down of new structures;
 - Damage commencing prior to the granting of cover under this insurance.
- M)** Any other accident excluding:
- Damage by any:
 - of the Perils;
 - of the causes expressly excluded from the Perils; specified in paragraphs **A)** to **L)** (whether or not insured);
 - Damage to any property caused by:
 - its own faulty or defective design or materials;
 - inherent vice latent defect gradual deterioration wear and tear;
 - faulty or defective workmanship on the part of You or any of Your Employees;but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded;
 - Damage caused by:
 - corrosion rust wet or dry rot marring scratching vermin or insects;
 - joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith;
 - mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates;but this shall not exclude:
 - such Damage which itself results from other Damage and is not otherwise excluded;
 - subsequent Damage which itself results from a cause not otherwise excluded;
 - Damage caused by disappearance or unexplained loss;
 - Damage to any building or structure caused by its own collapse or cracking unless resulting from a sudden identifiable and unexplained cause which occurs in its entirety at a specific moment in time and place during any one Period of Insurance and which:

Section 1 – Property Damage

- i) does not result from:
 - (1) the construction demolition structural alteration or structural repair of any property;
 - (2) groundworks or excavation works;
at the Premises;
- ii) is not otherwise excluded;
- f) Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days;

Basis of Claims Settlement

Unless stated otherwise in the Schedule the basis of settlement under this Section shall be:

1 Reinstatement:

The amount payable In respect of Buildings shall be the cost of reinstatement of the Damage.

For this purpose “reinstatement” means:

- a) the rebuilding or replacement of Property Insured lost or destroyed which provided Our liability is not increased may be carried out;
 - i) in any manner suitable to Your requirements
 - ii) upon another site
 - b) the repair or restoration of Property Insured damaged;
- in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Provided that:

- (1) Our liability for the repair or restoration of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
- (2) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time.
- (3) No payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement shall be made:
 - a) unless reinstatement commences and proceeds without unreasonable delay;
 - b) until the cost of reinstatement shall have been actually incurred;
 - c) if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement.
- (4) All the terms and conditions of this Policy shall apply:
 - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as it is varied hereby;
 - b) where claims are payable as if this Basis of Claims Settlement had not been incorporated.

The maximum amount We will pay in respect of any one item is the Sum Insured.

Clauses & Conditions that apply to Section 1 – Property Damage

1.1 Acquisitions

The insurance for Buildings extends to include:

- a) additions and extensions to the Property Insured (but not appreciation in value) made after the commencement of each annual Period of Insurance for an amount not exceeding 20% of the Sum Insured or £250,000 whichever is the less; and
- b) any newly built or newly acquired Buildings for an amount not exceeding £500,000; anywhere in the Territorial Limits;

Provided Your interest is not protected by any more specific insurance and provided You shall inform the Insurer as soon as practicable and pay the appropriate additional premium.

1.2 Additional Sprinkler Costs

The Insurer will pay the costs incurred in upgrading an automatic sprinkler installation to the current LPC rules solely as imposed upon You by the Insurer following Damage to the Buildings provided that at the time of the

Section 1 – Property Damage

Damage the installation conformed to the 28th or 29th Edition rules or to the LPC rules current at the time of installation but did not conform to subsequent amendments to those Rules.

1.3 Architects, Surveyors, Legal and Consulting Engineers Fees

The insurance for Buildings includes an amount in respect of architects', surveyors', legal and consulting engineers' fees necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its Damage but not for preparing any claim it being understood that the amount payable under the item shall not exceed in total the limits stated in the Basis of Claims Settlement.

1.4 Automatic Reinstatement after a Loss

In the event of loss the Sums Insured will be automatically reinstated from the date of the loss unless written notice to the contrary is given either by the Insurer or You and You shall pay any required premiums for reinstatement from that date.

The Insurer will not require any additional premium where the amount of the loss does not exceed 10% of the total of the Buildings Sums Insured.

1.5 Average (Underinsurance)

Where a Sum Insured is subject to Average if at the time of the Damage the Sum Insured is less than the actual value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss.

1.6 Buildings awaiting Demolition

If at the time of the Damage any Buildings are awaiting demolition the Insurer's liability shall be limited to the additional cost of removing debris, as detailed in Clause 1.32 – Removal of Debris, which are incurred by You solely as a result of Damage.

1.7 Buildings awaiting Refurbishment Redevelopment or Renovation

If at the time of the Damage any Buildings are awaiting refurbishment redevelopment or renovation the Insurer shall not be liable for any costs which would have been incurred by You in the absence of such Damage.

1.8 Change of Tenancy

You must advise the Insurer of all changes in tenancy or occupation within the Premises, as specified in Section 11 General Conditions 11.1 – Alteration in Risk.

1.9 Confirmation of Values at Risk

You must provide the Insurer at the inception of the Policy and annually thereafter with full details of the Declared Values.

1.10 Construction of Buildings

Except as otherwise agreed by the Insurer the Buildings described in the Schedule are of Standard Construction.

1.11 Contract Works

The insurance by each Buildings item extends to include Contract Works to the extent to which You have contracted to arrange cover provided the Insurer's maximum liability for any one loss shall not exceed £100,000. This clause shall only apply in so far as the Contract Works are not otherwise insured and excludes the amount of Excess being £250.

1.12 Contractors Interest

Where You are required to effect insurance on the Buildings in the joint names of You and the contractor under the terms of the contract condition then the interest of the contractor in the Buildings as a joint Insured is noted subject to details of any single contract where the original contract price exceeds £250,000 having been advised to the Insurer prior to work commencing and an additional premium being paid as appropriate.

1.13 Damage to Landscaped Gardens

The Insurer will pay the reasonable costs and expenses incurred in replanting trees shrubs plants and turf used in landscaped gardens and grounds, belonging to You or for which You are responsible, as a result of Damage insured by this Section, being the cost of restoring any such item of landscaping to its appearance when first planted but excluding any cost arising from the failure of these items to germinate or become established provided that the Insurer's maximum liability for any one loss shall not exceed £25,000.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

1.14 Day One Basis

Applicable only to those items showing a Declared Value as stated in the Schedule.

Section 1 – Property Damage

- 1) The Declared Value (shown in brackets below the Sum Insured) incorporated in each item to which this clause applies, having been stated in writing by You, has been used as the basis for calculating the premium.

For the purposes of this clause Declared Value shall mean:

Your assessment of the cost of reinstatement of Buildings and Contents arrived at in accordance with paragraph 1 of the Basis of Claims Settlement condition of this Section at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for:

- a) the additional cost of reinstatement to comply with:
 - i) European Union Legislation
 - ii) Act of Parliament
 - iii) Bye-Laws of any public authority
 - b) professional fees
 - c) debris removal costs
- 2) You must notify Us of the Declared Value at the start of each Period of Insurance. If You fail to notify Us of the Declared Value at the start of any Period of Insurance We will use the last Declared Value notified to Us for the following Period of Insurance.
 - 3) Provisions (2) and (4) of the Basis of Claims Settlement condition are for the purposes of this Day One Basis condition only deemed to be restated as follows:
 - (2) If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured arrived at in accordance with paragraph 1 of this condition at the start of the Period of Insurance Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph 1 of this condition.
 - (4) All the terms and conditions of this Policy shall apply:
 - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as it is varied hereby;
 - b) where claims are payable as if this Basis of Claims Settlement had not been incorporated except that the Sums Insured shall be limited to 115% of the Declared Value.

1.15 Delays in Rebuilding

The Insurer shall not be liable for increases in costs attributable to unreasonable delays in rebuilding or restoring or complying with Stipulations unless such delays are wholly outside of Your control.

1.16 Designation

For the purposes of determining where necessary the heading under which any property is insured the Insurer agrees to accept the designation under which such property has been entered in Your books.

1.17 Unoccupied Buildings Notification Condition

It is a condition precedent to the liability of the Insurer that whenever Buildings or parts thereof at the Premises are Unoccupied that you notify the Insurer as soon as is reasonably practicable You become aware:

- a) that the Buildings or parts thereof at the Premises are Unoccupied; and/or
- b) of any Damage to the Buildings or parts thereof at the Premises that are Unoccupied whether or not such loss, destruction or damage is insured.

You must pay an additional premium if required.

1.18 Inspection and Security of Unoccupied Buildings

It is a condition precedent to the liability of the Insurer that whenever Buildings or parts thereof at the Premises are Unoccupied for a period in excess of thirty consecutive days:

- a) the Buildings are inspected internally and externally at least once during each week by You or on Your behalf;
- b) all trade refuse and waste materials are removed from the interior of the Buildings and no accumulation of refuse and waste be allowed in the adjoining yards or spaces You own;
- c) You shall secure the Buildings and rectify any defects which render the Buildings insecure; and
- d) the gas, water and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm system in operation and water needed to maintain any central heating system that is kept in operation for the dates and at the temperatures stipulated under Peril H)).

1.19 European Community and Public Authorities (Including Undamaged Property)

Subject to the following Special Conditions the insurance for Buildings in this Section extends to include such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the stipulations of:

- a) European Community legislation; or

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- b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any Public Authority;
(hereafter referred to as 'Stipulations') in respect of:
 - i) the lost, destroyed or damaged property thereby insured; and
 - ii) undamaged portions of that property.

Excluding:

- a) the cost incurred in complying with the Stipulations:
 - i) in respect of Damage occurring prior to the inception of this Policy;
 - ii) in respect of Damage not insured by the Policy;
 - iii) under which notice has been served on You prior to the happening of the Damage;
 - iv) for which there is an existing requirement which has to be implemented within a given period; and
 - v) in respect of property entirely undamaged by any peril insured against by this Policy;
- b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the 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 or by the owner of that property by reason of compliance with the 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 agree (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Insurer under this clause not being increased.
- 2) If the liability of the Insurer under (any item of) this Section apart from this clause shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Insurer under this clause (in respect of any such item) shall be reduced in like proportion.
- 3) The total amount payable under (any item of) this Section in respect of this clause shall not exceed:
 - a) £250,000 in respect of the lost, destroyed or damaged property;
 - b) £250,000 in respect of undamaged portions of property (other than foundations).
- 4) All the terms and conditions of the Policy except insofar as they are varied by this condition shall apply as if they had been incorporated herein.

1.20 Extinguishment, Fire Brigade Charges and Alarm Resetting

The Insurer will pay the reasonable costs and expenses incurred by You in refilling fire extinguishing appliances and or media recharging CO2 gas flooding systems, replacing used sprinkler heads, refilling sprinkler tanks where water is metered, for any fire brigade charges and or other extinguishing expenses and resetting fire or intruder alarms and close circuit television and similar systems as a result of Damage as insured by this Section.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

1.21 Fire Extinguishing Appliances

You shall take all reasonable measures to ensure that:

- a) any sprinkler or alarm installation or other fire protection equipment for which a reduced premium rate is allowed is maintained in efficient working order;
- b) the routine tests prescribed by the Insurer are carried out and any defects revealed by such tests are promptly remedied;
- c) the Insurer's written consent is obtained to any proposed changes repairs or alterations to any sprinkler or alarm installation.

1.22 Further Investigation Expenses

Where a Building has suffered Damage and in the opinion of a competent construction professional there is a reasonable possibility of other Damage to portions of the same Building which is not immediately apparent the Insurer will pay the reasonable costs incurred by You with the Insurer's prior consent in establishing whether or not such Damage has occurred.

The Insurer will also pay the reasonable costs incurred by You in establishing whether or not other Buildings in the vicinity have suffered Damage in the same incident but only if such Buildings are subsequently found to have suffered Damage for which the Insurer is liable.

1.23 Glass Breakage

The Insurer will, at their option, pay for or make good to You any breakage or malicious scratching of internal or external fixed glass being Your property for which You are responsible at the Premises occurring during the Period of Insurance and being in sound condition at the inception of this Policy.

The Insurer will in addition pay for the cost of:

- a) breakage of fixed sanitary ware;

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- b) boarding up and repair to associated framework reasonably incurred as a result of an insured breakage. You may without the Insurer's prior consent instruct builders or glaziers to board up where necessary;
- c) repair or replacement of lettering alarm foil or other ornamentation work on glass provided that the Insurers maximum liability for any one loss shall not exceed £500;
- d) repair or replacement of fixed mirrors provided that the Insurer's maximum liability for any one loss shall not exceed £500; and
- e) removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of the glass provided that the Insurers maximum liability for any one loss shall not exceed £500.

Excluding any breakage whilst Buildings are Unoccupied and or more specifically insured by You or on Your behalf.

1.24 Inadvertent Omission to Insure

The insurance extends to include any Building within the Territorial Limits which You own or which You are responsible to insure which You have inadvertently failed to insure under this Policy or any other policy with the Insurer.

Provided that:

- a) immediately on becoming aware of any Building not insured You shall arrange insurance with the Insurer with effect from inception of this Policy or the date upon which the insurance should have been arranged whichever is the later and pay the appropriate additional premium.
- b) this clause shall not apply to any Premises covered under Clause 1.1 – Acquisitions.
- c) the Insurer's maximum liability for any one claim will not exceed £500,000.
- d) You shall carry out at not less than annual intervals a check of all properties owned or leased by You and for which You are responsible to ensure that effective insurance is in force for such properties.
- e) this clause shall only be effective if the Insurer is the sole provider of Buildings insurance in respect of Your properties owned in connection with the Business as defined in the Schedule and where You have an obligation to arrange such insurance.

1.25 Lessee and Third Party by virtue of contractual arrangements – Failure to Insure

The insurance extends to include any Building within the Territorial Limits which You own but for which the lessee is responsible by virtue of lease requirements or a third party by virtue of other contractual arrangements and which the lessee or third party has inadvertently failed to insure:

- A. against all the Perils insured by this Policy; or
- B. for a sufficient amount to provide for reinstatement of the Buildings as provided for by this Policy.

Provided that:

- a) immediately on becoming aware of:
 - i) any Building not insured for all the Perils insured by this Policy You shall arrange insurance for the uninsured Perils;
 - ii) any Building not insured for a sufficient amount to provide for reinstatement of the Buildings You shall arrange insurance for the amount of reinstatement; and pay the appropriate additional premium.
- b) this clause shall not apply to any Premises covered under Clause 1.1 – Acquisitions or Clause 1.24 – Inadvertent Omission to Insure and in respect of Buildings under A above shall apply only for the Perils not insured by the lessee's or third party's policy.
- c) the Insurer's maximum liability for any one claim will not exceed £500,000 but in no case shall the liability of the Insurer exceed the difference between the amount payable under any insurance effected by the lessee, third party, or any other insurance on the premises and the total cost of reinstatement provided by this Policy.
- d) there shall be in force at the time of the Damage a valid and enforceable lease or contract requiring the property to be insured against some or all of the Perils insured hereby and the lessee or third party to make good any uninsured Damage.
- e) You have procedures in place to ensure that the lessee or third party effects and maintains adequate insurance and wherever possible Your interest is noted and protected by a non-invalidation clause and lapse/cancellation notification undertaking.
- f) the insurance under this clause shall be subject to all the terms conditions and exclusions of the Policy with the exception of Clause 1.37 – Subrogation Waiver which is restated as follows:
In the event of a claim arising under this Section the Insurer agrees to waive any rights remedies or relief to which they might have become entitled by subrogation against:
 - a) any Company standing in relation of parent to subsidiary (or subsidiary to parent) to You; and
 - b) any Company which is a subsidiary of a parent company of which You are a subsidiary; in each case within the meaning of the Companies Act or the Companies (NI) Order, as appropriate, current at the time of Damage;
- g) the Insurer shall not be liable:
 - i) for the amount of any Excess or deductible under any more specific insurance;

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- ii) where the lessee's or third party's policy fails due to breach of any condition or warranty contained within the lessee's or third party's policy as a result of the action of the landlord;
- iii) where any loss destruction or damage has been declined by any Insurer or made the subject of requirements which have not been completed;
- iv) due to the failure of the lessee or third party to make or pursue a legitimate insurance claim.

1.26 Loss of Market Value

If You elect not to rebuild or repair the Buildings (and the Insurer does not exercise its option to reinstate allowed by Clause 1.30 – Reinstatement by the Insurer) the Insurer will pay You the reduction in the market value of the Buildings immediately following the Damage solely as a result of the Damage but not exceeding the amount which would have been payable had the Buildings been rebuilt or repaired.

1.27 Loss of Metered Utilities

The Insurer will pay the cost of additional metered electricity gas oil or water charges being those incurred by You following accidental discharge from a metered system as a result of Damage as insured by this Section except those in respect of any loss which has not been discovered and remedial action taken within 30 days of occurrence of the Damage provided that the Insurer's maximum liability for any one loss shall not exceed £25,000.

1.28 Non Invalidation

Any act, omission or alteration, unknown to You or beyond Your control, which increases the risk of Damage, will not invalidate this insurance if, immediately You become aware of it, You give notice to the Insurer and pay an additional premium if required.

1.29 Other Interests

The interests of freeholders lessees underlessees assignees and/or mortgagees of Buildings insured by this Section of the Policy are noted in the insurance provided subject to their names being disclosed by You to the Insurer in the event of any claim arising.

1.30 Reinstatement by the Insurer

If any Property Insured is to be reinstated or replaced by the Insurer You shall at Your own expense provide all such plans, documents, books and information as may be reasonably required. The Insurer shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and the maximum amount payable in respect of any one of the items insured is its Sum Insured.

1.31 Reinstatement to Match

Where the Property Insured has suffered Damage You may replace repair or restore the property with equivalent property which employs current technology, and replacement repair or restoration with such property for the purposes of this Section shall not be regarded as being better or more extensive than when new.

This Section further extends to include the replacement or modification of undamaged property in so far as it is necessary to adapt it to operate in conjunction with that property which has been replaced repaired or restored provided that the Insurer's maximum liability is not increased beyond that amount that would otherwise have been payable for the replacement repair or restoration of the property destroyed in its original form.

When the Property Insured is damaged or destroyed in part only, We will not pay more than the amount representing the cost which We would pay for the reinstatement if such property had been wholly destroyed.

1.32 Removal of Debris

The insurance for Buildings includes an amount in respect of costs and expenses necessarily incurred by You with the Insurer's consent in:

- a) removing debris;
- b) dismantling and/or demolishing; and
- c) shoring up or propping;

of the portions of the Property Insured as a result of Damage insured against by this Policy.

Excluding any costs or expenses:

- a) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site; and
- b) arising from pollution or contamination of property not insured by this Section.

The liability of the Insurer in respect of any item shall in no case exceed the limits stated in the Basis of Claims Settlement.

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1.33 Rent of Residential Property and Alternative Residential Accommodation

In the event of Damage to Premises occupied totally or partially for residential purposes which renders the Premises or parts thereof unfit to live in or access is denied the Insurer will pay:

- a) where no Sum Insured on Rent for the residential portions has been allocated such loss of Rent Receivable and other costs as specified under Section 2 – Loss of Rental Income.
- b) alternatively the cost of any expenditure incurred in the provision of comparable accommodation for the benefit of any resident and for the 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.

For the purposes of this clause:

- a) the Indemnity Period shall be a maximum period of three years from the date of the Damage for which the Insurer shall be liable to pay any loss; and
- b) any Condition of Average is deleted.

The Insurer's maximum liability under this clause shall not exceed 20% of the Sum Insured applicable to the residential Building or residential portion of the Building concerned.

1.34 Repairs and Alterations

Tradesmen may be employed to effect repairs or minor alterations in all or any of the Buildings insured without prejudice to this insurance.

1.35 Sale of Property Insured

If at the time of Damage You have contracted to sell Your interest in any Building insured by this Policy and the purchase has not been, but is later, completed, the purchaser, on completion of the purchase (if and so far as the property is not otherwise insured against such Damage by him or on his behalf), shall be entitled to the benefit under this Section so far as it relates to such Damage without prejudice to the rights and liabilities of You or the Insurer until completion.

1.36 Seventy Two Hour Clause

In respect of Peril G – Storm or Flood only, Damage occurring continuously or intermittently during any period of 72 hours shall be deemed to constitute one loss at each separate Premises for the purpose of the application of any Excess.

1.37 Subrogation Waiver

In the event of a claim arising under this Section the Insurer agrees to waive any rights remedies or relief to which they might have become entitled by subrogation against:

- a) any Company standing in relation of parent to subsidiary (or subsidiary to parent) to You; and
- b) any Company which is a subsidiary of a parent company of which You are a subsidiary;

in each case within the meaning of the Companies Act or the Companies (NI) Order, as appropriate, current at the time of Damage;

- c) a tenant or lessee in respect of Damage to the part of the Buildings in the demise of that tenant or lessee or to common parts of the Buildings unless Damage arises out of a criminal fraudulent or malicious act.

1.38 Subsidence Ground Heave and Landslip

Special Conditions for Peril L) Subsidence Ground Heave and Landslip.

Insofar as this insurance relates to Damage caused by subsidence ground heave or landslip:

- a) You shall notify the Insurer immediately You become aware of any demolition groundworks excavation or construction being carried out on any adjoining site;
- b) the Insurer shall then have the right to vary the terms or cancel this cover.

1.39 Temporary Removal

This insurance extends to include any landlord's fixtures and fittings or other property within the definition of Buildings whilst temporarily at other premises within the Territorial Limits for cleaning renovation or repair or other similar purposes and whilst in transit between the Buildings and such temporary locations by road rail or inland waterway but only to the extent that the property is not otherwise insured.

1.40 Theft Cover Extension

Any cover provided under this Section in respect of theft is extended to include theft of keys being: the reasonable costs necessarily incurred in replacing external door locks at the Property Insured following the loss of keys by:

- a) theft from the Premises or registered office or from the home of; or
- b) theft following hold-up whilst such keys are in the personal custody of;

You or any principal director, partner or Employee authorised to hold such keys.

Provided that the maximum amount payable in any one Period of Insurance shall not exceed:

- a) £1,000 in respect of any one Premises; and

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- b) £25,000 in aggregate.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

1.41 Trace and Access

In the event of the escape of water or oil from any tank apparatus or pipe and accidental damage to cables underground pipes and drains serving the Premises the Insurer will pay:

- a) the reasonable costs necessarily incurred by You in locating the source and subsequent making good of Damage, provided such Damage is insured by this Section; and
- b) the cost of repairing or replacing tanks, apparatus, pipes or appliances which have been damaged by freezing.

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Provided that the maximum amount payable in any one Period of Insurance shall not exceed:

- a) £25,000 in respect of any one occurrence; and
- b) £25,000 in aggregate.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

1.42 Unauthorised Use of Utilities

The Insurer will pay the cost of metered electricity gas or water for which You are legally responsible arising from its unauthorised use by persons taking possession or occupying the Premises without Your authority provided that You shall take all practical steps to terminate such unauthorised use as soon as it is discovered and that the Insurer's maximum liability for any one loss shall not exceed £25,000.

1.43 Value Added Tax

The insurance by each item on Buildings extends to include Value Added Tax paid by You which is not subsequently recoverable;

Provided that:

- a)
 - i) Your liability for such tax arises solely as a result of the reinstatement or repair of the Buildings to which such item relates following Damage;
 - ii) the Insurer has paid or has agreed to pay for such Damage;
 - iii) if any payment made by the Insurer in respect of the reinstatement or repair of such Damage is less than the actual cost of reinstatement or repair any payment under this clause resulting from that Damage shall be reduced in like proportion.
- b) Your liability for such tax does not arise from the replacement Buildings having greater floor area than or being better or more extensive than the destroyed or damaged Buildings.
- c) where an option to reinstate on another site is exercised the Insurer's liability under this clause shall not exceed the amount of tax that would have been payable had the Buildings been rebuilt on its original site.
- d) the Insurer's liability under this clause shall not include amounts payable by You as penalties or interest for non-payment or late payment of tax.
- e) terms to the contrary elsewhere in this Policy are over-ridden as follows in respect of those items to which this clause applies:
 - i) for the purpose of any condition of Average rebuilding costs will be exclusive of Value Added Tax;
 - ii) the liability of the Insurer may exceed the Sum Insured by an individual item on Buildings or in the whole the total Sum Insured where such excess is solely in respect of Value Added Tax.

You must include Value Added Tax within the Declared Value where it is known not to be recoverable.

1.44 Theft Damage to Buildings

It is agreed that Exclusions b) and c) to Peril K) Theft or attempted theft shall not apply to Damage to Buildings caused by theft or attempted theft but excluding Damage to:

- a) Buildings which are Unoccupied;
- b) outbuildings, tunnels, gangways, conveniences, loading bay service areas, lamp posts and street and garden furniture, swimming pools and tennis courts;
- c) walls, gates and fences;
- d) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the Premises, and extending to the public mains;
- e) yards, car parks, roads, pavements & forecourts; and
- f) septic tanks, water, oil and gas fuel storage tanks and ancillary equipment & pipework.

1.45 Abortive Repairs, Investigations and Tests

In respect of any Damage as insured hereby the Insurer will pay with their prior consent costs and expenses reasonably incurred by You in respect of abortive repairs, investigations and tests provided that the Insurer's maximum liability for any one loss shall not exceed £25,000.

1.46 Aerials

This Section includes Damage resulting from breakage of, collapse of and or falling aerials and/or satellite dishes and/or any other communication equipment.

This Extension shall not apply to Buildings which are Unoccupied.

1.47 Emergency Services

This Section insures the costs and expenses incurred by you following Damage as insured hereby resulting from the actions of the emergency services including deliberate acts where such deliberate acts are for the purpose of safeguarding human life and or minimising Damage as insured hereby provided that the Insurer's maximum liability for any one loss shall not exceed £25,000.

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1.48 Extra Security Costs

This Section insures reasonable and necessary Extra Security Costs incurred with the Insurer's prior consent by You following Damage as insured hereby provided that the Insurer's maximum liability for any one loss shall not exceed £25,000.

Extra Security Costs for the purpose of this Extension shall mean:

Those costs reasonably incurred and necessitated in order to provide the Premises with temporary additional physical protection including but not limited to:

- a) boarding up windows, doors, fanlights, skylights and other openings;
- b) the provision of temporary doors;
- c) weatherproofing the Buildings and making temporary repairs;
- d) making the Buildings secure; and
- e) securing the site.

1.49 Fly Tipping

This Section insures costs and expenses necessarily and reasonably incurred in:

- a) clearing, treating and removing anything illegally or maliciously deposited in or around the Buildings; or
- b) site cleaning as a result of a) above to a depth not exceeding one metre or a greater depth if the Insurer agrees (such agreement not to be unreasonably withheld) as a result of anything having been illegally or maliciously deposited in or around the Buildings.

Provided that the maximum amount payable in any one Period of Insurance shall not exceed:

- a) £10,000 in respect of any one occurrence; and
- b) £25,000 in aggregate.

This Extension shall not apply to Buildings which are Unoccupied.

1.50 Loss Reduction Expenses

This Section insures costs and expenses necessarily and reasonably incurred by or on behalf of You to prevent or minimise actual or imminent Damage as insured hereby at the Premises provided such costs are:

- a) directly related to Damage as insured hereby which is likely to occur in the immediate future unless urgent preventative action be taken; and
- b) not more specifically insured under this or any other policy, bond, indemnity, security or other legal binding agreement.

Provided that the Insurer's maximum liability for any one loss shall not exceed £25,000.

1.51 Party Wall

This Section insures costs incurred by You in reinstating a party wall following Damage insured hereby whether the responsibility is with You or not provided that the Insurer's maximum liability for any one loss shall not exceed 10% of the relevant Sum Insured of the relevant Building in respect of such additional costs.

1.52 Removal of Insect Nests

This Section insures costs and expenses necessarily and reasonably incurred by You with the Insurer's prior consent in removing wasp, bee, hornet and other harmful insect nests from the Buildings provided that the Insurer's maximum liability for any one loss shall not exceed £2,500.

This Extension shall not apply to Buildings which are Unoccupied.

1.53 Trees

This Section insures Damage resulting from falling trees including the cost of removing the fallen tree or parts thereof and or the cost of felling and or lopping and removing trees which represent an immediate threat to the safety of life and or Damage as insured hereby to Buildings provided that the Insurer's maximum liability for any one loss shall not exceed £10,000.

Section 2 – Loss of Rental Income

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 2 – Loss of Rental Income

Territorial Limits

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

Damage

Loss or destruction of or damage to property used by You at the Premises for the purpose of the Business.

Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence thereof.

Maximum Indemnity Period

The Period as stated in the Schedule.

Rent Receivable

The money paid or payable to You by tenants for accommodation and services provided in the course of the Business at the Premises.

Annual Rent Receivable

The Rent Receivable during the twelve months immediately before the date of the Damage.

Standard Rent Receivable

The Rent Receivable during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

*Under **Annual Rent Receivable** and **Standard Rent Receivable**, adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.*

Unoccupied

Unoccupied shall mean any Building or part thereof that is:

- (i) not in active use; and/or
- (ii) untenanted; and/or
- (iii) empty, void vacant or disused; and/or
- (iv) awaiting refurbishment, redevelopment, renovation or demolition.

Cover

We will indemnify You in respect of any interruption or interference with the Business occurring during the Period of Insurance at the Premises and caused by any of the following Perils if shown as operative in the Schedule.

Provided that at the time of the happening of the Damage there is an insurance in force covering Your interest in the Buildings where the Damage occurred and that:

- a) payment shall have been made or liability admitted therefore; or
- b) payment would have been made or liability admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount;

except that this clause shall not apply in respect of any item on Rent Receivable where another party (not being the Insured) is responsible for insuring the Buildings by virtue of lease or other contractual arrangements.

The liability of the Insurer under this Section shall not exceed:

- a) 200% of the Rent Receivable shown in the Schedule; and
- b) 100% of the Sum Insured shown in the Schedule for each other item or extension;

unless otherwise agreed by Us.

Section 2 – Loss of Rental Income

Perils (Operative only if stated in the Schedule)

- A) Fire excluding Damage by explosion resulting from fire.
- B) Lightning.
- C) Aircraft or other aerial devices or articles dropped therefrom.
- D) Explosion excluding Damage caused by the bursting of any vessel machine or apparatus belonging to You or under Your control and in which internal pressure is due to steam only; but this shall not exclude Damage caused by explosion of:
 - a) any boiler used for domestic purposes only or of any other boiler or economiser on the Premises;
 - b) gas used for domestic purposes only.
- E) Earthquake excluding Damage caused by fire.
- F) Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons excluding:
 - a) Damage arising from nationalisation confiscation requisition seizure or destruction by order of the government or any public authority;
 - b) Damage arising from cessation of work;
 - c) Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days;
 - d) Damage directly caused in the course of theft or attempted theft by malicious persons not acting on behalf of or in connection with any political organisation.
- G) Storm or flood excluding:
 - a) Damage solely due to change in the water table level;
 - b) Damage caused by frost subsidence ground heave or landslip;
 - c) Damage to fences and gates unless caused by falling trees or there is Damage to structural parts of the Buildings at the same time;
 - d) Damage to trees plants shrubs and turf unless there is Damage to the Buildings at the same time.
- H) Escape of water or oil from any tank apparatus pipe or appliance excluding:
 - a) Damage by water discharged or leaking from an automatic sprinkler installation;
 - b) Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days during the period from the 1st October to the 31st March inclusive.

Exclusion b) above shall not apply in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days during the period from the 1st October to the 31st March inclusive if:

 - (i) the central heating system is kept running 24 hours a day to maintain a minimum temperature of 12° Celsius; or
 - (ii) a boiler frost thermostat is operational which protects both the boiler and the Building if the temperature falls below 5° Celsius.
- I) Impact by any road or rail vehicle (including any fork lift truck or other industrial vehicle) or animal.
- J) Accidental escape of water from any automatic sprinkler installation excluding Damage:
 - a) by freezing in any building which is Unoccupied for a period in excess of ten consecutive days;
 - b) by heat caused by fire.
- K) Theft or attempted theft excluding:
 - a) any loss which the Insured is able to recover from another source;
 - b) to property in the open;
 - c) to property in outbuildings, in open fronted buildings or in buildings not on permanent foundations;
 - d) Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days.

Section 2 – Loss of Rental Income

- L)** Subsidence ground heave or landslip excluding:
- a) Damage arising from the settlement or movement of made-up ground or by coastal or river erosion;
 - b) Damage resulting from:
 - i) the construction demolition structural alteration or structural repair of any property;
 - ii) groundworks or excavation works;
at the Premises.
 - c) Damage arising from normal settlement or bedding down of new structures; and
 - d) Damage commencing prior to the granting of cover under this insurance.
- M)** Any other accident excluding:
- a) Damage by any:
 - i) of the Perils;
 - ii) of the causes expressly excluded from the Perils;
specified in paragraphs **A**) to **L**) (whether or not insured);
 - b) Damage to any property caused by:
 - i) its own faulty or defective design or materials;
 - ii) inherent vice latent defect gradual deterioration wear and tear;
 - iii) faulty or defective workmanship on the part of You or any of Your Employees;
but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded;
 - c) Damage caused by:
 - i) corrosion rust wet or dry rot marring scratching vermin insects;
 - ii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith;
 - iii) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates;
but this shall not exclude:
 - (1) such Damage which itself results from other Damage and is not otherwise excluded;
 - (2) subsequent Damage which itself results from a cause not otherwise excluded;
 - d) Damage caused by disappearance or unexplained loss;
 - e) Damage to any building or structure caused by its own collapse or cracking unless resulting from a sudden identifiable and unexplained cause which occurs in its entirety at a specific moment in time and place during any one Period of Insurance and which:
 - i) does not result from:
 - (1) the construction demolition structural alteration or structural repair of any property;
 - (2) groundworks or excavation works;
at the Premises;
 - ii) is not otherwise excluded;
 - f) Damage in respect of any Building which is Unoccupied for a period in excess of thirty consecutive days;

Basis of Claims Settlement

Unless stated otherwise in the Schedule the basis of settlement under this Section shall be:

The insurance on Rent Receivable is limited to:

- a) loss of Rent Receivable; and
- b) increase in cost of working;

and the amount payable as indemnity shall be:

- a) in respect of loss of Rent Receivable:
the amount by which the Rent Receivable during the Indemnity Period shall fall short of the Standard Rent Receivable in consequence of the Damage; and
- b) in respect of increase in cost of working:
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss in Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Rent Receivable thereby avoided

less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Rent Receivable as may cease or be reduced in consequence of the Damage.

Provided that:

if the Sum Insured by the item on Rent Receivable be less than the Annual Rent Receivable (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Section 2 – Loss of Rental Income

Clauses & Conditions that apply to Section 2 – Loss of Rental Income

2.1 Acquisitions

The Insurer will pay for loss of Rent Receivable for any newly acquired or newly erected Buildings or alterations additions or extensions to Buildings covered under Section 1 – Property Damage that is not otherwise insured;

Provided that:

- a) the most the Insurer will pay at any one situation is £250,000 in respect of any newly acquired or newly erected Buildings or 20% of the Sum Insured under this Section up to a maximum of £250,000 in respect of alterations additions or extensions to Buildings during any one Period of Insurance;
- b) You must inform the Insurer as soon as practicable of any acquisitions as detailed above and take out insurance cover from the date the Insurer's liability commenced.

2.2 Advance Rent Receivable

If Rent Receivable is insured in respect of new property developments You must show that but for the Damage Rent Receivable would have been earned and You will be required to support a claim for Loss of Rent Receivable by submitting reasonable evidence of the amount of such Rent Receivable and the date from which it would have been earned. The Insurer will have regard:

- a) to actual negotiations with prospective tenants both before and after the Damage;
- b) for demand for similar accommodation in the locality;
- c) the general level of rents applying.

If required the advice of a professional valuer acceptable to both You and the Insurer will be sought and the professional fees charged will be included in the indemnity provided under this clause.

2.3 Alternative Premises

If in consequence of the Damage You shall use other premises to provide accommodation to tenants the Rent Receivable from those premises during the Indemnity Period shall be taken into account in assessing the loss of Rent.

2.4 Automatic Reinstatement after a Loss

In the event of loss the Sums Insured will be automatically reinstated from the date of the loss unless written notice to the contrary is given either by the Insurer or You and You shall pay any required premiums for reinstatement from that date.

The Insurers will not require any additional premium where the amount of the loss does not exceed 10% of the total of the Loss of Rental Income Sums Insured.

2.5 Buildings Awaiting Sale

If at the time of Damage You shall have contracted to sell Your interest in the Premises or shall have accepted an offer in writing to purchase Your interest in the Premises subject to contract and the sale is cancelled or delayed solely in consequence of the Damage, then provided You shall make all reasonable efforts to complete the sale of the Premises as soon as practicable after the Damage You may opt for the amount payable by the Insurer to be as follows:

- a) during the period prior to the date upon which but for the Damage the Premises would have been sold:
the loss of Rent Receivable being:
the actual amount of the reduction in Rent Receivable solely in consequence of the Damage;
- b) during the period commencing with the date upon which but for the Damage the Premises would have been sold and ending with the actual date of sale or with the expiry of the Indemnity Period if earlier:
the loss in respect of interest being:
 - i) the actual interest incurred on capital borrowed (solely to offset in whole or in part the loss of use of the sale proceeds) for the purpose of financing the Business;
 - ii) the investment interest lost to the Insured on any balance of the sale proceeds (after deduction of any capital borrowed as provided under paragraph i) above
less any amount receivable in respect of Rent Receivable.

This clause also covers with the consent of the Insurer the additional expenditure being the expenditure necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage solely to avoid or minimise the loss payable under a) and b) above.

2.6 Confirmation of Values at Risk

You must provide the Insurer at the inception of the Policy and annually thereafter with full details of the Rent Receivable.

Section 2 – Loss of Rental Income

2.7 Cost of Re-letting

The Insurer will pay costs and expenses that You necessarily and reasonably incur with the consent of the Insurer during the Indemnity Period in re-letting the Premises (including legal fees in connection with the re-letting) solely in consequence of the Damage.

2.8 Failure of Supply

This Section includes loss resulting from interruption of or interference with the Business as insured as a result of the accidental failure of supply of:

- a) electricity at the terminal ends of the service provider's feeders at the Premises;
- b) gas at the service provider's meters at the Premises;
- c) water at the service provider's main stop cock serving the Premises (other than by drought);
- d) telecommunications services (excluding the provision of extranets or access to or presence on the internet or access to applications and related services over the internet) at the incoming line terminals or receivers at the Premises but excluding satellites;

not occasioned by the deliberate act of any service provider nor by the exercise by any such provider of its power to withhold or restrict supply or provision of telecommunication services.

Special Conditions applicable to this clause:

- 1) the Maximum Indemnity Period shall not exceed 3 months in respect of telecommunications services;
- 2) the Indemnity Period shall commence 24 hours after the commencement of the failure of supply including telecommunications services and not as stated in the Definitions.

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum Insured by the relevant item or £100,000 whichever is the less.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

2.9 Inadvertent Omission to Insure

The insurance extends to include any Rent Receivable of any Building within the Territorial Limits which You own or which You are responsible to insure which You have inadvertently failed to insure under this Policy or any other policy with the Insurer.

Provided that:

- a) immediately on becoming aware of any Rent Receivable not insured You shall arrange insurance with the Insurer with effect from inception of this Policy or the date upon which the insurance should have been arranged whichever is the later and pay the appropriate additional premium.
- b) this clause shall not apply to any Premises covered under Clause 2.1 – Acquisitions.
- c) the Insurer's maximum liability for any one claim will not exceed £250,000.
- d) You shall carry out at not less than annual intervals a check of all properties owned or leased by You and for which You are responsible to ensure that effective insurance is in force for such properties.
- e) this clause shall only be effective if the Insurer is the sole provider of Rent Receivable insurance in respect of Your properties owned in connection with the Business as defined in the Schedule and where You have an obligation to arrange such insurance.

2.10 Denial of Access – Notifiable Disease, Vermin, Defective Sanitary Arrangements, Murder, Suicide or Rape

The Insurer shall indemnify You in respect of interruption of or interference with the Business during the Indemnity Period following:

- a) any:
 - i) occurrence of a Notifiable Disease (as defined below) at the Premises or attributable to food or drink supplied from the Premises;
 - ii) discovery of an organism at the Premises likely to result in the occurrence of a Notifiable Disease;
 - iii) occurrence of a Notifiable Disease within a radius of 25 miles of the Premises;
- b) the discovery of vermin or pests at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority;
- c) any accident causing defects in the drains or other sanitary arrangements at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority; or
- d) any occurrence of murder or suicide at the Premises.

Special Conditions applicable to this clause:

- 1) Notifiable Disease shall mean illness sustained by any person resulting from:
 - i) food or drink poisoning; or
 - ii) any human infectious or human contagious disease excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition, an outbreak of which the competent local authority has stipulated shall be notified to them.
- 2) For the purposes of this clause:

Section 2 – Loss of Rental Income

Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the occurrence discovery or accident beginning:

- i) in the case of a) and d) above with the date of the occurrence or discovery; or
 - ii) in the case of b) and c) above the date from which the restrictions on the Premises applied;
- and ending not later than the Maximum Indemnity Period thereafter shown below.

Premises shall mean only those locations stated in the Premises definition. In the event that the Section includes an extension which deems loss destruction or damage at other locations to be Damage such extension shall not apply to this clause.

- 3) The Insurer shall not be liable under this clause for any costs incurred in the cleaning repair replacement recall or checking of property.
- 4) The Insurer shall only be liable for the loss arising at those Premises which are directly affected by the occurrence discovery or accident.
- 5) Maximum Indemnity Period shall mean 3 months.

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum Insured by the relevant item or £250,000 whichever is the less.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

2.11 Denial of Access – Legionella

The Insurers shall indemnify You (to the extent that it is not covered under Denial of Access – Notifiable Disease, Vermin, Defective Sanitary Arrangements, Murder, Suicide or Rape) in respect of interruption of or interference with the Business during the Indemnity Period following any occurrence of Legionella at the Premises causing restrictions on the use thereof on the order or advice of a competent local authority.

Special Conditions applicable to this clause:

- 1) For the purposes of this clause:

Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the occurrence beginning with the date of the occurrence and ending not later than the Maximum Indemnity Period thereafter shown below.

Premises shall mean only those locations stated in the Premises definition. In the event that the Section includes an extension which deems loss destruction or damage at other locations to be Damage such extension shall not apply to this clause.
- 2) The Insurer shall not be liable under this clause for any costs incurred in the cleaning repair replacement recall or checking of property except those costs and expenses necessarily incurred with the Insurer's consent in cleaning and decontamination of the air-conditioning or water supply equipment at the Premises the use of which has been restricted on the order or advice of a competent local authority
- 3) The Insurer shall only be liable for the loss arising at those Premises which are directly affected by the occurrence discovery or accident.
- 4) Maximum Indemnity Period shall mean 3 months.

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum Insured by the relevant item or £250,000 whichever is the less.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

2.12 Loss of Investment Income on Late Payment of Rent

If as a result of Damage the Insurer is making a payment in respect of Rent Receivable and the payment by the Insurer to You is made later than the date upon which You would normally expect to receive such Rent from the lessee the Insurer will pay a further sum representing the interest which You would have earned by placing the money in Your normal deposit account on the earlier date.

2.13 Managing Agents Premises

The insurance by each item on Rent Receivable is extended to include loss as insured by this Section resulting solely from Damage to buildings or other property at any location within the Territorial Limits owned or occupied by Your managing agents for the purposes of their business in consequence of which the Rent Receivable by the Insured is reduced.

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum Insured by the relevant item or £100,000 whichever is the less.

Section 2 – Loss of Rental Income

2.14 New Business

For the purpose of any claim arising from Damage occurring before the completion of the first years trading of the Business at the Premises such loss will be ascertained by applying the Rent Receivable earned during the period between the commencement of the Business and the date of the Damage to the amount by which the Rent Receivable during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the Rent Receivable realised during the period between the commencement of the Business and the date of the Damage.

2.15 Payments on Account

Payments on Account may be made during the Indemnity Period if required on the date which but for the Damage the Rent would have been due from the lessee.

2.16 Prevention of Access

Subject to the terms and conditions of this Section, the Insurer shall indemnify You in respect of loss as insured by this Section resulting from interruption of or interference with the Business:

- a) in consequence of loss, destruction of or damage to property in the vicinity of the Premises, where such loss, destruction or damage shall prevent or hinder the use of or access to the Premises, whether or not Your Premises or Your property in the Premises is damaged, shall be deemed to be Damage, but excluding loss resulting from loss or destruction of or damage to property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such services.
- b) in consequence of the Premises or any property or rights of way within the vicinity of the Premises being:
 - (i) unlawfully occupied by third parties except in the course of a dispute between any employer and employee or group of workers;
 - (ii) thought to contain or actually containing a harmful device provided that the police are immediately informed; or
 - (iii) closed down or sealed off in accordance with instructions issued by the police or any other statutory body except where the cause of closure or sealing off is:
 - the condition of the Premises or the business carried on within the Premises;
 - Your or the lessee's non-compliance with a prior order of the police or other statutory body; or
 - action taken as a result of drought or diseases or other hazards to health.which prevents or hinders access to or use of the Premises.

Provided that the Insurer's liability any one loss under this clause shall not exceed 10% of the Sum Insured by the relevant item or £100,000 whichever is the less.

This Extension shall not apply to Premises at which the Buildings are Unoccupied.

2.17 Professional Accountants and Legal Fees

The Insurer will pay the reasonable charges payable by You to:

- a) Your professional accountants for producing information required by the Insurer, under Obligation 13.1e) of Section 13 – Claims Procedure, and for reporting that such information is in accordance with Your accounts;
- b) Your lawyers for determining Your contractual rights under any rent cessor clause or insurance break clause contained in the lease;

but not for any other purposes in the preparation of any claim.

Provided that the sum of the amount payable under this clause and the amount otherwise payable under the Policy shall in no case exceed the Sum Insured.

2.18 Lessee and Third Party by virtue of contractual arrangements – Failure to Insure

The insurance extends to include loss as insured by this Section resulting from interruption of or interference with the Business in consequence of loss, destruction of or damage to any building within the Territorial Limits which You own but for which the lessee is responsible by virtue of lease requirements or a third party by virtue of other contractual arrangements and which the lessee or third party has inadvertently failed to insure:

- A. against all the Perils insured by this Policy; or
- B. for a sufficient amount to provide for reinstatement of the Buildings as provided for by this Policy.

Section 2 – Loss of Rental Income

Provided that:

- a) immediately on becoming aware of:
 - i) any Building not insured for all the Perils insured by this Policy You shall arrange insurance for the uninsured Perils;
 - ii) any Building not insured for a sufficient amount to provide for reinstatement of the Buildings You shall arrange insurance for the amount of reinstatement; and pay the appropriate additional premium.
- b) this clause shall not apply to any Premises covered under Clause 2.1 – Acquisitions or Clause 2.9 – Inadvertent Omission to Insure and in respect of Buildings under A above shall apply only for the Perils not insured by the lessee's or third party's policy.
- c) the Insurer's maximum liability for any one claim will not exceed £250,000 but in no case shall the liability of the Insurer exceed the difference between the amount payable under any insurance effected by the lessee, third party or any other insurance on the premises and the total cost of reinstatement provided by this Policy.
- d) there shall be in force at the time of the Damage a valid and enforceable lease or contract requiring the property to be insured against some or all of the Perils insured hereby and the lessee or third party to make good any uninsured Damage.
- e) You have procedures in place to ensure that the lessee or third party effects and maintains adequate insurance and wherever possible Your interest is noted and protected by a non-invalidation clause and lapse/cancellation notification undertaking.
- f) the insurance under this clause shall be subject to all the terms conditions and exclusions of the Policy.
- g) the Insurer shall not be liable:
 - i) for the amount of any Excess or deductible under any more specific insurance;
 - ii) where the lessee's or third party's policy fails due to breach of any condition or warranty contained within the lessee's or third party's policy as a result of the action of the landlord;
 - iii) where any loss destruction or damage has been declined by any Insurer or made the subject of requirements which have not been completed;
 - iv) due to the failure of the lessee or third party to make or pursue a legitimate insurance claim.

2.19 Rent Free Period

If at the date of the Damage any Premises insured by this Policy are subject to a rent free period under the terms of the lease then the Indemnity Period stated in the Schedule shall be adjusted by adding the unexpired portion of the rent free period to the number of years shown in the Schedule provided that the Insurer's maximum liability does not exceed the Sum Insured or any Limit of Liability stated in the Policy whichever is the lower.

2.20 Subrogation Waiver

In the event of a claim arising under this Section the Insurer agrees to waive any rights remedies or relief to which they might have become entitled by subrogation against:

- a) any Company standing in relation of parent to subsidiary (or subsidiary to parent) to You; and
- b) any Company which is a subsidiary of a parent company of which You are a subsidiary;

in each case within the meaning of the Companies Act or the Companies (NI) Order, as appropriate, current at the time of Damage;

- c) a tenant or lessee in respect of Damage to the part of the Buildings in the demise of that tenant or lessee or to common parts of the Buildings unless Damage arises out of a criminal fraudulent or malicious act.

2.21 Subsidence Ground Heave and Landslip

Special Conditions for Peril L) Subsidence Ground Heave and Landslip.

Insofar as this insurance relates to Damage caused by subsidence ground heave or landslip:

- a) You shall notify the Insurer immediately You become aware of any demolition groundworks excavation or construction being carried out on any adjoining site;
- b) the Insurer shall then have the right to vary the terms or cancel this cover.

2.22 Automatic Rent Review

Where the Loss of Rent Receivable is subject to a rent review during the Period of Insurance the relevant Sum Insured will be automatically increased to reflect the revised Loss of Rent Receivable earned up to a maximum increase of 100% of the Sum Insured on Loss of Rent Receivable stated on the Schedule.

No additional premium will be charged for this increase in cover during the Period of Insurance provided You advise the Insurers, prior to renewal, of the revised Loss of Rent Receivable for the next Period of Insurance.

2.23 Break Clause

This section shall not be prejudiced by any insurance or casualty break clause in a lease which enables a lessee to determine the lease in the event of Damage.

Section 2 – Loss of Rental Income

2.24 Unoccupied Buildings

Where the Buildings or any part of them are Unoccupied and sustain Damage during the Period of Insurance the Insurer's maximum liability will be the loss of Rent Receivable during the period of reinstatement or repair and will be calculated based solely upon any tenancy agreement in respect of such Building in existence at the time of the Damage occurring.

2.25 Value Added Tax

To the extent that You are accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax.

Section 3 – Terrorism

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 also apply to this Section.

Definitions for Section 3 – Terrorism

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.

Business Interruption

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

Computer Systems

A computer or other equipment or component or system or item which processes stores transmits or receives Data.

Damage

Damage shall mean accidental loss or destruction of or damage to the Property Insured.

Data

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

Denial of Service Attack

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

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.

Great Britain

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

Hacking

Unauthorised access to any Computer System, whether the property of the Insured or not.

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 or adapted for:

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

Nuclear Reactor

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.

Section 3 – Terrorism

Phishing

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

Virus or Similar Mechanism

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

Cover

In consideration of the payment of the Premium in respect of the Period of Insurance, the cover provided under the Sections shown under the Terrorism Section of the Schedule of this Policy is extended to include Damage to the Property Insured or Business Interruption where covered in Great Britain occasioned by or happening through or in consequence of an Act of Terrorism.

Provided that

- a) the Insurer's liability in respect of all losses for any one Event shall not exceed in the whole the Total Sum Insured or the Sum Insured in respect of each item or any other Limit of Liability as stated herein or in the Schedule;
- b) the insurance by this Section is subject to the Exclusions stated below.

Exclusions

What is not covered:

1) War and Allied Risks

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.

2) Digital and Cyber Risks

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

- a) damage to or the destruction of any Computer System; or
- b) any alteration, modification, distortion, erasure or corruption of Data

in each case whether the property of the Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

Proviso to Exclusion 2):

Exclusion 2) will not apply to Damage to the Property Insured or Business Interruption where covered in Great Britain occasioned by or happening through or in consequence of an Act of Terrorism solely to the extent that such Damage or Business Interruption:

- a) results directly (or, solely as regards b) iii) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and
- b) comprises:
 - i) the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured by the Insured; or
 - ii) the amount of Business Interruption loss suffered directly by the Insured itself by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured by the Insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by that Insured by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured by the Insured to which access is affected; or

Section 3 – Terrorism

- iii) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by the Insured to avoid or diminish such loss; and
- c) is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.
- d) The meaning of Property for the purposes of this Proviso shall exclude:
 - i) any money (including Money as defined elsewhere in the Policy), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever; and
 - ii) any Data.
- e) Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph b) above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph a) above results directly or indirectly from any alteration, modification, distortion erasure or corruption of Data, that shall not prevent cost or Business Interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs a) and b) above from being recoverable under this Section. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Section.

3) Nuclear Installation or Nuclear Reactor

This insurance does not cover any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor.

4) Residential Property

This insurance does not cover any land or building which is occupied as a private residence or any part thereof which is so occupied, unless:

- a) insured under the same Policy as the remainder of the building which is not a private residence and the commercial element of the building exceeds 20% by area of the building; or
- b) not insured in the name of an individual.

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

Clauses & Conditions that apply to Section 3 – Terrorism

- 3.1 In any action or other proceedings where the Insurer alleges that any Damage or loss resulting from Damage is not covered by this Section the burden of proving that such Damage or loss is covered shall be upon You.
- 3.2 Any terms in this Policy which provide for adjustments of premium based upon declarations on expiry or during the Period of Insurance do not apply to this Section.
- 3.3 If this Policy is subject to any Long Term Agreement/Undertaking, it does not apply to this Section.
- 3.4 The cover provided by this Section 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:
 - a) no subsequent Period of Insurance by this Section shall extend beyond the next Renewal Date of this Policy;
 - b) the renewal premium due in respect of this Section has been received by the Insurer.

Subject otherwise to all the terms and conditions of this Policy.

Section 4 – Employers’ Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 4 – Employers’ Liability

Injury

Bodily injury, death, disease, illness or nervous shock.

Offshore

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

Territorial Limits

- a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- b) Elsewhere in the world, other than Offshore, in connection with temporary visits undertaken in the course of the Business by any person normally resident in the territories described in a) above.

Cover

The Insurer will indemnify You against all sums that You shall become legally liable to pay as damages, together with costs and expenses shown below, in respect of Injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of his employment by You in the course of the Business.

Limit of Indemnity

The liability of the Insurer under this Section for damages, costs and expenses payable in respect of any one claim or series of claims against You arising out of one event shall not exceed the amount stated in the Schedule.

Costs and expenses shall be deemed to mean:

- a) costs and expenses of claimants for which You are legally liable;
- b) other costs and expenses incurred with the Insurer’s written consent in respect of any claim which may be the subject of indemnity under this Section;
- c) solicitors’ fees incurred with the Insurer’s written consent for:
 - i) defence in any Court of Summary Jurisdiction of any proceedings brought against You in respect of breach or alleged breach of any statutory duty resulting in Injury;
 - ii) representation at a Coroner’s Court or Fatal Accident Inquiry in respect of any death; which may be the subject of indemnity under this Section;
- d) legal costs and expenses incurred with the Insurer’s written consent by You and, at Your request, any director or Employee, and costs awarded against You or the director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - i) the proceedings relate to the health safety or welfare of Employees;
 - ii) the Insurer will not indemnify You in respect of:
 - (1) proceedings consequent upon a deliberate act by or omission by You, any director or Employee;
 - (2) fines or penalties of any kind or the costs of appeal against improvement or prohibition notices; or
 - (3) costs and expenses insured by any other policy.
- e) legal costs and expenses incurred with the Insurer’s written consent by You, and costs awarded against You arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of the defence of criminal proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation provided that:
 - i) the liability of the Insurer for all legal costs and expenses payable in any one Period of Insurance shall not exceed the sum of £5,000,000 or the Limit of Indemnity stated in the Schedule whichever is the lesser and will form part of and not be in addition to the Limit of Indemnity stated in the Schedule;
 - ii) the proceedings relate to an actual or alleged offence committed during the Period of Insurance within the Territorial Limits and in connection with the Business;
 - iii) the Insurer will not indemnify You in respect of:

Section 4 – Employers’ Liability

- (1) proceedings which result from any deliberate act or omission by You;
- (2) any fines or penalties of any kind;
- (3) any remedial or publicity orders or any steps required to be taken by such orders;
- (4) costs and expenses insured by any other policy.

Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section the Insurer will indemnify in the terms of this Section the deceased’s legal personal representatives but only in respect of liability incurred by such deceased person;
- b) At Your request the Insurer will indemnify in the terms of this Section:
 - i) any principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement;
 - ii) any of Your directors or Employees in respect of liability arising in connection with the Business;

Provided that You would have been entitled to indemnity under this Section if the claim had been made against You;

- iii) any officer committee or member of Your canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such;
- iv) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official;
- v) any officers or trustees of Your pension scheme;

Provided that:

- a) each person shall as though he were You observe fulfil and be subject to the terms of this Section insofar as they can apply; and
- b) the Insurer shall retain the sole conduct and control of all claims.

Compensation for Court Attendance

In the event of the following persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which You are entitled to indemnity under this Section the Insurer will provide compensation to You at the following rates per day for each day on which attendance is required:

- a) any of Your directors or partners £500
- b) any Employee £250

Right of Recovery

This Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Ireland the Channel Islands or the Isle of Man but You shall repay to the Insurer all sums paid by the Insurer which the Insurer would not have been liable to pay but for the provisions of such law.

Unsatisfied Court Judgments

In the event of Injury to an Employee, sustained during the Period of Insurance and arising out of his employment by You in the course of the Business, which results in a judgment for damages being obtained by such Employee, or his personal representatives, and which remains unsatisfied in whole or in part six months after the date of such judgment, the Insurer will, at Your request, pay to the Employee or his personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that:

- a) the judgment for damages is obtained:
 - i) in a court of law within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; and
 - ii) against a company, partnership or individual other than You, conducting a business at or from premises within the territories described in i) above;
- b) there is no appeal outstanding;
- c) the judgment relates to Injury which would otherwise be within the terms of the Policy; and
- d) if any payment is made under the terms of this clause the Employee or the personal representative of the Employee shall assign the judgment to the Insurer.

Section 4 – Employers' Liability

Exclusions

What is not covered (see also General Exclusions):

- 1) So far as concerns the liability of any principal or liability assumed by You under agreement, and which would not have attached in the absence of such agreement, this Section shall not apply to any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 2) Any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation.
- 3) Any liability arising out of work undertaken or operations located Offshore.
- 4) More than £5,000,000 including Claimant's Costs, Defence Costs and under all extensions in respect of any one claim or series of claims (regardless of the number of claimants) arising out of one event which falls within the definition of Terrorism under this Policy.
- 5) More than £5,000,000 including Claimant's Costs, Defence Costs and under all extensions in respect of any one claim or series of claims (regardless of the number of claimants) directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising out of the manufacture of, mining of, use of, sale of, installation of, survey or investigation of, management of, removal or distribution of, existence of or exposure to asbestos products, asbestos fibres or asbestos dust or property or materials containing any of the foregoing.

Section 5 – Property Owners’ Public and Products Liability

Sub-Section 5(a) – Property Owners’ Public Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Sub-Section 5(a) – Property Owners’ Public Liability

Injury

Bodily injury, death, disease, illness or nervous shock.

Offshore

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

Products Supplied

Product or item, including containers, packaging, instruction, or labelling sold, supplied, hired out, constructed, erected, installed, treated, repaired, serviced, processed, stored, handled, transported or disposed of by or on behalf of You or any structure, constructed, erected or installed or contract work executed by or on behalf of You in the course of the Business.

Territorial Limits

- a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- b) manual and non-manual work carried out during temporary visits anywhere in the world other than the United States of America or Canada in the course of the Business by any person normally resident within the territories described in a) above.
- c) non-manual work carried out during temporary visits to the United States of America or Canada by any person normally resident within the territories described in a) above.

Excess

The first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of the insurance.

Cover

Indemnity

The Insurer will indemnify You against all sums that You shall become legally liable to pay as damages in respect of accidental:

- a) Injury to any person;
 - b) loss of or damage to material property;
 - c) obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement; or
 - d) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy;
- occurring within the Territorial Limits during the Period of Insurance and happening in connection with the Business.

Limit of Indemnity

The liability of the Insurer for all damages payable to any claimant or number of claimants as a result of any one occurrence or all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the amount stated in the Schedule for any one event.

Section 5 – Property Owners’ Public and Products Liability

Contingent Motor Liability

Notwithstanding Exclusion 2) under ‘**What is not covered.**’ the Insurer will indemnify You in the terms of this Section against legal liability in respect of Injury, loss or damage arising out of the use in connection with the Business of any motor vehicle not owned or provided by You.

The Indemnity will not apply to legal liability:

- a) in respect of loss of or damage to any such vehicle or to goods carried in or on the vehicle;
- b) in respect of Injury, loss of or damage arising while such vehicle is being:
 - i) driven by You;
 - ii) driven with the general consent of You or of Your representative by any person who to the knowledge of You or Your representative does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding such a licence;
 - iii) used elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; or
 - iv) engaged in racing, pace making reliability trials or speed testing;
- c) in respect of which You are entitled to indemnity under any other insurance.

Defective Premises Act

The Insurer will indemnify You in respect of Injury or loss or damage to Property which You may incur as owner by virtue of the Defective Premises Act 1972 in connection with any premises which have been disposed of by You.

The Indemnity will not apply to legal liability:

- a) for which You are entitled to indemnity under any other policy of insurance;
- b) for Injury, loss or damage happening prior to such disposal; or
- c) for the cost of repairing, replacing or reinstating any defect giving rise to such claim or for the rectification of faulty workmanship.

Libel and Slander

The Insurer will indemnify You in respect of legal liability to pay damages and claimants costs and expenses in respect of claims made against You during the Period of Insurance arising from any act of libel or slander committed or uttered in good faith by You during the Period of Insurance in the course of the Business.

Provided always that:

- a) the indemnity granted by this clause will apply solely to the Insured’s in-house and trade publications;
- b) the liability of the Insurer under this clause will not exceed £250,000 in any one Period of Insurance.

Overseas Personal Liability

The Insurer will indemnify You and, if You so request, any of Your directors, partners or Employees or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in connection with the Business.

The Indemnity will not apply to legal liability:

- a) arising out of the ownership or occupation of land or buildings; or
- b) in respect of which any person referred to is entitled to indemnity under any other insurance.

Rented Premises

Exclusion 5) b) under ‘**What is not covered.**’ shall not apply to premises leased, let, rented, hired or lent to You.

The Indemnity will not apply to legal liability in respect of:

- a) loss or damage arising under agreement unless liability would have attached to You in the absence of such agreement;
- b) loss of or damage to premises caused by fire or any other peril against which a tenancy or other agreement stipulates that insurance shall be effected by You or on Your behalf; and
- c) the first £500 of each and every occurrence of loss or damage caused otherwise than by fire or explosion.

Section 5 – Property Owners’ Public and Products Liability

Exclusions

What is not covered (see also General Exclusions):

Legal liability:

- 1) arising out of:
 - a) work in or on aircraft;
 - b) work in or on airport or aerodrome runways, manoeuvring areas or aprons or those parts of airports or aerodromes to which aircraft have access; or
 - c) the ownership possession or use by You or on Your behalf of any aircraft watercraft (other than watercraft not exceeding 8 metres in length or any hand-propelled boat or pontoon);
- 2) arising out of the ownership, possession or use by You or on Your behalf of any mechanically propelled vehicle or attached trailer in circumstances where compulsory insurance or security is required or where insurance is provided by another policy provided always that:
this exclusion shall not apply in respect of liability arising during the act of loading or unloading any such mechanically propelled vehicle or attached trailer unless insurance is provided by another policy;
- 3) in respect of Injury or loss of or damage to property caused by or in connection with any Products Supplied which have ceased to be in Your custody or control other than food or drink provided as a service at Your Premises to Employees or visitors;
- 4) in respect of Injury to any Employee;
- 5) in respect of loss of or damage to:
 - a) property belonging to You; or
 - b) property which is leased, let, rented, hired or lent to You or which is the subject of a bailment to You;
- 6) arising out of professional advice, design or specification provided by You or on behalf of You for a fee;
- 7) for the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or for any reduction in the value of such land or premises;
- 8) assumed by You under agreement unless the conduct and control of claims is vested in the Insurer but indemnity shall not in any event apply to liquidated damages, fines or penalties;
- 9) arising out of work undertaken or operations located Offshore;
- 10) for loss of or damage to that part of any property upon which You are or have been working where the loss or damage is the direct result of such work;
- 11) for aggravated exemplary vindictive or punitive damages awarded by any Court of Law;
- 12) the amount of Excess as stated in the Schedule of each and every occurrence in respect of loss or damage to property.

Section 5 – Property Owners’ Public and Products Liability

Sub-Section 5(b) – Products Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Sub-Section 5(b) – Products Liability

Injury

Bodily injury, death, disease, illness or nervous shock.

Offshore

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

Products Supplied

Product or item, including containers, packaging, instruction, or labelling sold, supplied, hired out, constructed, erected, installed, treated, repaired, serviced, processed, stored, handled, transported or disposed of by or on behalf of You or any structure, constructed, erected or installed or contract work executed by or on behalf of You in the course of the Business.

Territorial Limits

Anywhere in the world in respect of Products Supplied in or from Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Excess

The first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of the insurance

Cover

Indemnity

The Insurer will indemnify You against all sums that You shall become legally liable to pay as damages and costs and expenses of claimants in respect of accidental:

- a) injury to any person; and
- b) loss of or damage to material property;

occurring within the Territorial Limits during the Period of Insurance and caused by any Products Supplied.

Limit of Indemnity

The liability of the Insurer for all damages payable as a result of all occurrences during any one Period of Insurance shall not exceed the amount stated in the Schedule for any one Period of Insurance.

Section 5 – Property Owners’ Public and Products Liability

Exclusions

What is not covered (see also *General Exclusions*):

Legal liability:

- 1) in respect of Injury, loss or damage to property caused by or in connection with any Products Supplied which are in Your custody or control;
- 2) in respect of Injury, loss or damage to property caused by or in connection with any Products Supplied which to Your knowledge are for use in or on any aircraft or aerospace device;
- 3) in respect of Injury, loss or damage to property caused by or in connection with any Products Supplied which to Your knowledge are directly or indirectly exported to the United States of America or Canada;
- 4) in respect of Injury to any Employee;
- 5) in respect of loss of or damage to:
 - a) property belonging to You; or
 - b) property which is leased, let, rented, hired or lent to You or which is the subject of a bailment to You.
- 6)
 - a) in respect of the cost or value of any Products Supplied or replacement, repair, removal, rectification or reinstatement of Products Supplied where legal liability arises from a defect in or the unsuitability of such Products Supplied;
 - b) for any costs incurred in recalling or modifying any Products Supplied;
- 7) assumed by You under agreement unless the conduct and control of claims is vested in the Insurer but indemnity shall not in any event apply to:
 - a) liquidated damages fines or penalties; or
 - b) legal liability which attaches by virtue of an express warranty indemnity or guarantee given or entered into by You in connection with any Products Supplied and which would not have attached in the absence of such warranty indemnity or guarantee.
- 8) arising out of professional advice, design or specification provided by You or on behalf of You for a fee;
- 9) for aggravated exemplary vindictive or punitive damages awarded by any Court of Law.

Section 5 – Property Owners’ Public and Products Liability

Applicable to Section 5 – Property Owners’ Public and Products Liability

Cover Clauses

Costs

The Insurer will in addition:

- a) pay all other costs and expenses incurred with its written consent in respect of any claim which may be the subject of indemnity under this Section;
- b) pay solicitors’ fees incurred with its written consent for:
 - i) defence in any Court of Summary Jurisdiction of any proceedings brought against You in respect of breach or alleged breach of any statutory duty resulting in Injury; and
 - ii) representation at a Coroner’s Court or Fatal Accident Inquiry in respect of any death; which may be the subject of indemnity under this Section;
- c) indemnify You and, at Your request, any director or Employee in respect of legal costs and expenses incurred with the Insurer’s written consent, and costs awarded against You and Your director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - i) the proceedings relate to the health, safety or welfare of persons other than Employees;
 - ii) the Insurer will not indemnify You in respect of:
 - (1) fines or penalties of any kind or the costs of appeal against improvement or prohibition notices;
 - (2) proceedings which result from any deliberate act by or omission by You, any director or Employee;
 - (3) costs and expenses insured by any other policy.
- d) indemnify You in respect of legal costs and expenses incurred with the Insurer’s written consent by You, and costs awarded against You arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of the defence of criminal proceedings for any offence brought under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation provided that:
 - i) the liability of the Insurer for all legal costs and expenses payable in any one Period of Insurance shall not exceed the sum of £5,000,000 or the Limit of Indemnity stated in the Schedule whichever is the lesser and will form part of and not be in addition to the Limit of Indemnity stated in the Schedule;
 - ii) the proceedings relate to an actual or alleged offence committed during the Period of Insurance within the Territorial Limits and in connection with the Business;
 - iii) the Insurer will not indemnify You in respect of:
 - (1) proceedings which result from any deliberate act or omission by You;
 - (2) any fines or penalties of any kind;
 - (3) any remedial or publicity orders or any steps required to be taken by such orders;
 - (4) costs and expenses insured by any other policy.

Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section the Insurer will indemnify in the terms of this Section the deceased’s legal personal representatives but only in respect of liability incurred by such deceased person;
- b) At Your request the Insurer will indemnify in the terms of this Section:
 - i) any principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement;
 - ii) any of Your directors or Employees in respect of liability arising in connection with the Business; Provided that You would have been entitled to indemnity under this Section if the claim had been made against You.
 - iii) any officer committee or member of Your canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such;
 - iv) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official;
 - v) any officers or trustees of Your pension scheme.

Provided that:

- a) each such person shall, as though he were You, observe, fulfil and be subject to the terms of this Section insofar as they can apply;
- b) the Insurer shall retain the sole conduct and control of all claims;

Section 5 – Property Owners’ Public and Products Liability

- c) where the Insurer is required to indemnify more than one party the total amount of indemnity payable to all parties in respect of damages shall not exceed the Limit of Indemnity.

Compensation for Court Attendance

In the event of the following persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which You are entitled to indemnity under this Section the Insurer will provide compensation to You at the following rates per day for each day on which attendance is required:

- a) any of Your directors or partners £500
any Employee £250

Consumer Protection Act 1987 – Legal Defence Costs

The Insurer will pay all amounts You or, at Your request, any of Your directors or Employees become legally liable to pay in the defence of any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 or any regulations made under the Act committed or alleged to have been committed during the Period of Insurance including legal costs and expenses incurred with its consent in an appeal against conviction arising from the proceedings.

Provided always that:

- a) the criminal proceedings relate to an offence committed in the course of Your Business as stated on the Schedule;
- b) this extension shall apply only to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;
- c) You and Your directors or Employees shall give the Insurer immediate notice of any summons or other proceedings against You or Your directors or Employees.

The Indemnity will not apply to legal liability:

- a) where You or Your directors or Employees are insured by any other policy of insurance;
- b) where the criminal proceedings are in respect of any deliberate or intentional criminal act or omission of You or Your directors or Employees;
- c) in respect of legal costs and expenses which You or any of Your directors or Employees may be ordered to pay by a court of criminal jurisdiction in respect of a deliberate or intentional criminal act or omission of You or Your director or Employee;
- d) in respect of fines or penalties;
- e) for the cost of any investigation or inquiry other than a solicitor’s investigation restricted to criminal proceedings as above defined; and
- f) unless the Insurer have the sole conduct and control of all claims.

Cross Liabilities

This Section shall apply separately to each person named in the Schedule as if a separate policy had been issued to each provided that if the Insurer is required to indemnify more than one party in respect of any occurrence the total liability of the Insurer shall not exceed the Limit of Indemnity.

Data Protection Act 1998 Extension

The Insurer will indemnify You in respect of liability arising under the Data Protection Act 1998 to pay compensation for damages or distress, provided that:

- a) the process of registration under the above Act has been commenced or completed by You and the application has not been refused or withdrawn;
- b) no liability arises as a result of the provision by You of the services of a Data Processor.

The total liability of the Insurer including all costs and expenses shall not exceed £250,000 during any one Period of Insurance.

For the purposes of this extension the phrases or words Data Processor and Data shall carry the same meaning as defined under the Data Protection Act 1998.

The Indemnity will not apply to legal liability:

- a) in respect of the recording or provision of Data for reward or for determining the financial status of any person; or
- b) which arises as a result of Your deliberate act or omission and which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission.

Discharge of Liability

The Insurer may pay the Limit of Indemnity or any lesser amount for which any claim or claims against You can be settled and the Insurer shall be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment.

Section 5 – Property Owners’ Public and Products Liability

Food Safety Act Legal Defence Costs

The Insurer will pay legal costs and expenses You or, at Your request, any of Your directors or Employees incur in the defence of any criminal proceedings brought for a breach of the Food Safety Act 1990, or any regulations under the Act, committed or alleged to have been committed during the Period of Insurance. The Insurer will also pay legal costs and expenses incurred with its consent in an appeal against conviction arising from such proceedings.

Provided always that:

- a) the criminal proceedings relate to an offence committed in the course of Your Business as stated on the Schedule;
- b) this extension only applies to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;
- c) You or Your directors or Employees give the Insurer immediate notice of any summons or other process served upon You or Your directors or Employees and of any event that may give rise to proceedings against You or Your directors or Employees.

The Indemnity will not apply to legal liability:

- a) where You or Your directors or Employees are insured by any other policy of insurance;
- b) where the criminal proceedings are in respect of any deliberate or intentional criminal act or omission of You or Your directors or Employees;
- c) in respect of legal costs and expenses which You or any of Your directors or Employees may be ordered to pay by a court of criminal jurisdiction in respect of a deliberate or intentional criminal act or omission of You or Your director or Employee;
- d) in respect of fines or penalties;
- e) for the cost of any investigation or inquiry other than a solicitor’s investigation restricted to criminal proceedings as above defined.

Legionellosis Liability

The Pollution or Contamination Exclusion shall not apply to any discharge release or escape of Legionella or other airborne pathogens from water tanks water systems air conditioning plants cooling towers and the like;

Provided that;

- a) the Insurer will only indemnify You:
 - 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 airborne pathogens from water tanks water systems air conditioning plants cooling towers and the like first made in writing to You 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 airborne 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 days after the 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 airborne pathogens from water tanks water systems air conditioning plants cooling towers and the like if before the Period of Insurance You had become aware of circumstances which have given or may give rise to such Pollution or Contamination.

USA and Canada

Insofar as this Section applies to legal liability arising in the United States of America or Canada or if an action for damages is commenced therein or in any subsequent action in connection therewith is brought elsewhere in the world the liability of the Insurer in respect of all damages payable together with the costs and expenses of claimants and any other costs and expenses incurred with the Insurer’s written consent shall not exceed the Limit of Indemnity and shall exclude punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages or by way of fines or penalties.

Section 5 – Property Owners’ Public and Products Liability

Pollution Clean Up Costs Extension

In respect of Pollution and Contamination occurring in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man 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 the Indemnity provided by Section 5 of this Policy is extended to indemnify You against:

1. the cost of any Remediation legally required or ordered by any statutory authority or regulator acting in accordance with the terms of any Environmental Legislation to be conducted by the You; and
2. liability for the cost of any Remediation conducted by any statutory authority or regulator and legally sought from You by that statutory authority or regulator in accordance with the terms of any Environmental Legislation.

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

For the purposes of this extension, the following definitions shall apply:

Environmental Legislation shall mean any legislation for the protection of the environment or control of Pollution and Contamination.

Pollution and Contamination shall mean all pollution or contamination of water or land (but excluding any pollution or contamination of buildings or other structures).

Remediation shall mean works or operations to treat remove or dispose of Pollution and Contamination.

Provided that:

1. under this extension the Insurer shall indemnify You only to the extent that the remediation to which the indemnified cost relates is the minimum necessarily conducted under the provisions of Environmental Legislation;
2. this extension does not cover any costs, or any liability for costs of remediation arising out of:
 - i. Pollution and Contamination consisting of any radioactive substances or asbestos;
 - ii. Pollution and Contamination caused by or arising out of the ownership operation or use of any motor vehicle (whilst on any road), marine vessel or aircraft.
3. this extension does not cover any costs, or any liability for costs, of Remediation carried out on or in order to protect any property belonging to or in the custody or control of You;
4. this extension does not cover any costs or any liability for costs to the extent they relate to:
 - i. any measures to prevent the spread of any Pollution and Contamination or the removal of an immediate threat of Pollution and Contamination;
 - ii. the removal or disposal of any waste deposited by or on behalf of You;
 - iii. any amounts payable by way of compensation to third parties affected by such Pollution and Contamination;
 - iv. any amount payable by way of fines or penalties;
 - v. any costs and expenses incurred by You or prosecution costs and expenses awarded against You in connection with any criminal proceedings arising out of the Pollution and Contamination; or
 - vi. any works or operations that improve the state or condition of water or land in comparison with its state or condition immediately prior to the incident that caused the Pollution and Contamination.
5. the total amount payable under this extension shall not exceed the sum of £100,000 in the aggregate during any one Period of Insurance excluding the first £1000 in respect of each and every claim;
6. The Indemnity provided under this extension is subject otherwise to the Terms, Exclusions and Conditions of Section 5 of this Policy.

Section 5 – Property Owners’ Public and Products Liability

Financial Loss Extension

The Indemnity provided by Section 5 of this Policy is extended to indemnify You against all such sums that You shall become legally liable to pay as damages and costs and expenses of claimants in respect of accidental financial loss. The Indemnity will only apply to:

- a) a claim which is first made in writing against You during the Period of Insurance; and
- b) which is notified to the Insurer during the same Period of Insurance or within 30 days after the expiry of such Period of Insurance.

Provided that:

- a) the liability of the Insurer under this extension for all damages and claimants costs and expenses arising out of all claims first made against You during any one Period of Insurance shall not in the aggregate exceed the sum of £100,000; and
- b) You shall be responsible under this extension for the first 10% of all damages and claimants costs and expenses payable in respect of each and every claim made against You subject to You being responsible for a minimum amount of £5,000 in respect of each and every such claim.

Exclusions to this Extension

The indemnity provided by this extension will not apply to legal liability:

- 1) in respect of:
 - i) Injury to any person;
 - ii) loss of or damage to material property;
 - iii) nuisance, trespass, obstruction, loss of amenities or interference with any right of way, air, light or water; or
 - iv) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy.
- 2) arising under contract whether by virtue of express agreement or otherwise;
- 3) for the actual cost or value of any Products Supplied or replacement, repair, removal or reinstatement of any Products Supplied;
- 4) for:
 - i) liquidated damages, fines, penalties or payments to any statutory authority arising out of the enforcement of any statutory requirement or duty;
 - ii) libel, slander or passing off or infringement of patent, copyright, trademark or trade name;
 - iii) financial loss sustained by any Employee arising out of or in the course of employment by You.
- 5) caused by or arising from:
 - i) breach of professional duty or service or any error or omission in estimates or advice given by You or on Your behalf in a professional capacity or in design, plan, drawings or specification for which a fee is charged or would normally be charged;
 - ii) property in the custody or under the control of you or any Employee or failure to return such property;
 - iii) the storage, processing or transmission by You or on Your behalf of computer data;
 - iv) delay, non-completion or non-delivery;
 - v) any act of fraud or dishonesty by You or any Employee; or
 - vi) any circumstances known to You at inception of this extension which may give rise to a claim for financial loss.
- 6) arising:
 - i) outside Great Britain, Northern Ireland, or the Isle of Man;
 - ii) out of any cause giving rise to financial loss happening before the Retroactive Date which, unless specified to the contrary, shall be the inception date of this Policy.

The Indemnity provided under this extension is subject otherwise to the Terms, Exclusions and Conditions of Section 5 of this Policy.

Section 5 – Property Owners’ Public and Products Liability

Exclusions

What is not covered (see also General Exclusions):

Pollution or Contamination

Legal liability in respect of Pollution or Contamination other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

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

The liability of the Insurer for all damages payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the amount shown in the Schedule as the Limit of Indemnity for any one event.

For the purpose of this exclusion and limitation 'Pollution or Contamination' shall be deemed to mean:

- a) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere;
and
- b) all loss or damage or Injury directly or indirectly caused by such Pollution or Contamination.

Asbestos

This insurance does not cover any loss, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

Section 6 – Legal Expenses

Sub-Section 6(a) – Commercial Legal Protection

This Section applies ONLY if the Schedule shows that “Section 6(a) – Commercial Legal Protection” is operative.

This Section is underwritten by DAS Legal Expenses Insurance Company Limited (“DAS”).

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 6(a) – Commercial Legal Protection

We, Us, Our (for the purposes of this Section only)
DAS Legal Expenses Insurance Company Limited (“DAS”).

The Policyholder

As shown in the Schedule.

Insured Person

The Policyholder and the directors, partners, managers and employees of the Policyholder.

Representative

The lawyer, accountant or other suitably qualified person, who has been appointed to act for an Insured Person in accordance with the terms of this Section.

Period of Insurance

The period as shown in Your Schedule, for which We have agreed to cover the Insured Person and for which the Premium has been paid.

Full Enquiry

An extensive examination by HM Revenue & Customs which considers all aspects of the Policyholder’s tax affairs, excluding those enquiries which are limited to one or more specific aspects of the Policyholder’s self assessment and/or corporation tax return.

Aspect Enquiry

An examination by HM Revenue & Customs which considers one or more specific aspects of the Policyholder’s self assessment and/or corporation tax return.

Tax Intervention Enquiry

An examination by HM Revenue & Customs to measure the level of compliance in the Policyholder’s financial accounting records to highlight areas where errors have or may occur.

Date of Occurrence

- 1) For civil cases (other than under Insured Incident - 4 Tax Protection), the Date of Occurrence is when the originating cause of action first accrued.
- 2) For criminal cases, the Date of Occurrence is when the Insured Person commenced or is alleged to have commenced to violate the criminal law in question.
- 3) For Full Enquiries or Aspect Enquiries, the Date of Occurrence is when HM Revenue & Customs first notifies in writing the intention to make enquiries. For Tax Intervention Enquiries, the Date of Occurrence is when HM Revenue & Customs first contacts the Policyholder in relation to commencing an intervention enquiry into their Business accounts. For Employers’ Compliance and Value Added Tax disputes, the Date of Occurrence is when the relevant authority sends an assessment or written decision to the Policyholder.

Territorial Limit (for the purposes of this Section only)

- For Insured Incident 2 - Legal Defence (excluding paragraph 4) thereof, and Insured Incident 3 b) - Bodily Injury:
 - The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.
- For all other Insured Incidents:
 - The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

Section 6 – Legal Expenses

Costs and Expenses

- Legal Costs

All reasonable and necessary costs chargeable by the Representative on a standard basis.

Also the costs incurred by opponents in civil cases if an Insured Person has been ordered to pay them, or pays them with Our agreement.

- Accountant's Costs

A reasonable amount in respect of all costs reasonably incurred by the Representative.

- Attendance Expenses

The Insured Person's salary or wages for the time that the Insured Person is off work to attend any arbitration, court or tribunal hearing at the request of the Representative or while attending jury service. We will pay for each half or whole day that the court, tribunal or the Insured Person's employer will not pay for.

The amount We will pay is based on the following:

- the time the Insured Person is off work including the time it takes to travel to and from the hearing. This will be calculated to the nearest half day assuming that a whole day is eight hours;
- if the Insured Person works full time, the salary or wages for each whole day equals 1/250th of the Insured Person's yearly salary or wages;
- if the Insured Person works part-time, the salary or wages will be a proportion of the Insured Person's weekly salary or wages.

The Property

The property or properties insured as stated in Your Schedule.

Rent Arrears

Unpaid rent that is owed to the Policyholder under a tenancy agreement, or would have been owed to the Policyholder but for the breach of a tenancy agreement to let The Property.

How We can help

To make a claim under this Section please telephone Us on 0117 934 2111, quoting Your DAS Policy number TS5/6891976. We will ask You about Your legal dispute and if necessary call You back at an agreed time to give You legal advice. If Your dispute needs to be dealt with as a claim under this Section, We will provide You with a claim reference number. At this point We will not be able to confirm that You are covered but We will pass the information You have given Us to Our claims handling teams and explain what to do next.

If You would prefer to report Your claim in writing please send it to the Claims Department, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH.

Alternatively You can email Your claim to Us at newclaims@das.co.uk

Claims are usually handled by a Representative appointed by Us, but sometimes We deal with them ourselves. Claims outside the United Kingdom may be dealt with by other DAS offices elsewhere in Europe.

If You need help from Us

You can phone Us any time on 0117 934 2111 for advice on any commercial legal or tax problem affecting Your Business.

When We cannot help

Please do not ask for help from a solicitor or accountant before We have agreed. If You do, We will not pay the costs involved.

Problems

We will always try to give You a quality service. If You think We have let You down, please write to Our Customer Relations Department at Our Head Office address shown below. Alternatively You can telephone Us on 0344 893 9013 or email Us at customerrelations@das.co.uk. Details of Our internal complaint handling procedures are available on request.

Our Head and Registered Office is:

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

If You are still not happy, You can contact the Financial Ombudsman Service at Exchange Tower, London, E14 9SR. They can also be contacted by telephone on 0845 080 1800. Their website is www.financial-ombudsman.org.uk (Using these services does not affect Your right to take legal action).

Section 6 – Legal Expenses

Cover

This Section will cover the Insured Person in respect of any Insured Incident arising in connection with the Business shown in the Policy Schedule if the insurance premium has been paid.

We agree to provide the insurance in this Section in accordance with the operative covers shown in the Policy Schedule as long as:

- a) the Date of Occurrence of the Insured Incident happens during the Period of Insurance and within the Territorial Limit; and
- b) any legal proceedings will be dealt with by a court, or other body We have agreed to, in the Territorial Limit; and
- c) in civil claims it is always more likely than not that an Insured Person will recover damages (or obtain any other legal remedy which We have agreed to) or make a successful defence.

For all Insured Incidents, We will help in appealing or defending an appeal as long as the Insured Person tells Us within the time limits allowed that they want Us to appeal. Before We pay any Costs and Expenses for appeals, We must agree that it is always more likely than not that the appeal will be successful.

If a Representative is used, We will pay the Costs and Expenses incurred for this.

We will pay Compensation Awards that We have agreed to.

The most We will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is £100,000.

INSURED INCIDENTS WE WILL COVER

1) Employment Disputes and Compensation Awards

a) *Employment Disputes*

We will defend the Policyholder's legal rights:

- 1) prior to the issue of legal proceedings in a court or tribunal following the dismissal of an employee; or
- 2) in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 3) in legal proceedings in respect of any dispute with:
 - a) an employee or ex-employee or a trade union acting on behalf of an employee or ex-employee which arises out of, or relates to, a contract of employment with the Policyholder; or
 - b) an employee, prospective employee or ex-employee arising from an alleged breach of their statutory rights under employment legislation.

What is not covered by ***Insured Incident 1a) Employment Disputes***

- 1) Any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by this Section.
- 2) Any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of the indemnity provided by this Section if the Date of Occurrence was within the first 180 days of the indemnity provided by this Section.
- 3) Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by this Section.
- 4) Any claim in respect of damages for personal injury or loss of or damage to property.
- 5) Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005.

b) *Compensation Awards*

We will pay:

- 1) any basic and compensatory award; and/or
 - 2) an order for compensation following a breach of the Policyholder's statutory duties under employment legislation;
- in respect of a claim We have accepted under ***Insured Incident 1a) Employment Disputes***;

Section 6 – Legal Expenses

Provided that:

- 1) In cases relating to performance and/or conduct, the Policyholder has throughout the employment dispute either:
 - a) followed the ACAS Code of Disciplinary and Grievance Procedures as prepared by the Advisory Conciliation and Arbitration Service; or
 - b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
 - c) sought and followed advice from Our legal advice service.
- 2) For an order of compensation following the Policyholder's breach of statutory duty under employment legislation the Policyholder has at all times sought and followed advice from Our legal advice service since the date when the Policyholder should have known about the employment dispute.
- 3) For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, the Policyholder has sought and followed advice from Our claims department prior to serving notice of redundancy.
- 4) The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgement made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by Us.
- 5) The total of the compensation awards payable by Us shall not exceed £1,000,000 in any one Period of Insurance.

What is not covered by ***Insured Incident 1b) Compensation Awards***

- 1) Any compensation award relating to the following:
 - a) trade union activities, trade union membership or non-membership;
 - b) pregnancy or maternity rights;
 - c) health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - d) statutory rights in relation to trustees of occupational pension schemes;
 - e) statutory rights in relation to Sunday shop and betting work.
- 2) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
- 3) Any award ordered because the Policyholder has failed to provide relevant records to employees under the National Minimum Wage laws.
- 4) Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or re-engagement order.

c) Service Occupancy

We will negotiate for the Policyholder's legal rights against an employee or ex-employee to recover possession of premises owned by, or for which the Policyholder is responsible.

What is not covered by ***Insured Incident 1c) Service Occupancy***

Any claim relating to defending the Policyholder's legal rights other than defending a counter-claim.

2) Legal Defence

At the Policyholder's request:

- 1) We will defend the Insured Person's legal rights:
 - a) prior to the issue of legal proceedings when dealing with the;
 - (i) Police;
 - (ii) Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer; where it is alleged that the Insured Person has or may have committed a criminal offence; or
 - b) following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction; or
 - c) if civil action is taken against the Insured Person for compensation under section 13 of the Data Protection Act 1998. We will also pay any compensation award made against the Insured Person under section 13 of the Data Protection Act 1998.
- 2) We will defend the Policyholder's legal rights following civil action taken against the Policyholder for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.
- 3) We will defend the Insured Person's (other than the Policyholder) legal rights if:
 - a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion; or
 - b) civil action is taken against them as a trustee of a pension fund set up for the benefit of the Policyholder's employees.
- 4) We will represent the Insured Person in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting the Policyholder's Business.

Section 6 – Legal Expenses

- 5) We will represent the Policyholder in appealing against the refusal of the Information Commissioner to register the Policyholder's application for registration.
- 6) We will pay the attendance expenses of an Insured Person for jury service.

Provided that:

- a) in so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned, the Territorial Limit shall be any place where the Act applies.
- b) at the time of the Insured Incident, the Policyholder has registered with the Information Commissioner in respect of Insured Incident 2) 1) c).

What is not covered by **Insured Incident 2) Legal Defence**

Any claim which leads to the Insured Person being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

3) Property Protection and Bodily Injury

a) Property Protection

We will negotiate for the Policyholder's legal rights in any civil action relating to material property which is owned by, or the responsibility of the Policyholder, following:

- 1) any event which causes physical damage to such material property; or
- 2) any nuisance or trespass.

What is not covered by **Insured Incident 3a) Property Protection**

Any claim relating to the following:

- 1) a contract entered into by the Policyholder;
- 2) goods in transit or goods lent or hired out;
- 3) goods at premises other than those occupied by the Policyholder unless the goods are at such premises for the purpose of installations or use in work to be carried out by the Policyholder;
- 4) mining subsidence;
- 5) defending the Policyholder's legal rights other than in defending a counter-claim;
- 6) a motor vehicle owned or used by, or hired or leased to an Insured Person other than damage to motor vehicles where the Policyholder is engaged in the business of selling motor vehicles.

b) Bodily Injury

At the Policyholder's request, We will negotiate for an Insured Person's and their family members' legal rights following an event which causes the death of, or bodily injury to them.

What is not covered by **Insured Incident 3b) Bodily Injury**

Any claim relating to the following:

- 1) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident; or
- 2) defending an Insured Person's or their family members' legal rights other than in defending a counter-claim; or
- 3) a motor vehicle owned or used by, or hired or leased to an Insured Person or their family members.

4) Tax Protection

a) Full or Aspect Enquiries

We will negotiate on behalf of the Policyholder in respect of a Full Enquiry and/or Aspect Enquiry and represent them in any subsequent appeal proceedings.

b) Tax Intervention Enquiries

We will negotiate on behalf of the Policyholder and represent them in any dealings with HM Revenue & Customs in respect of a Tax Intervention Enquiry.

c) Employers' Compliance

We will negotiate on behalf of the Policyholder and represent them in any appeal proceedings in respect of a dispute concerning the Policyholder's compliance with Pay As You Earn or Social Security Regulations following a review by HM Revenue & Customs.

d) VAT Disputes

We will negotiate on behalf of the Policyholder and represent them in any appeal proceedings following an assessment issued by HM Revenue & Customs in respect of Value Added Tax due.

Provided that:

- 1) for all Insured Incidents, the Policyholder has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed.
- 2) We will not pay more than £2,000 for claims in respect of Aspect Enquiries or Tax Intervention Enquiries

Section 6 – Legal Expenses

What is not covered by **Insured Incident 4) Tax Protection**

- 1) In respect of Aspect Enquiries and Tax Intervention Enquiries the first £200 of Costs and Expenses in each and every claim.
- 2) Any Insured Incident arising from a tax avoidance scheme.
- 3) Any Insured Incident caused by the failure of the Policyholder to register for Value Added Tax.
- 4) Any Insured Incident arising from any investigation or enquiries undertaken by HM Revenue & Customs Special Investigations Section or Special Civil Investigations or the Revenue & Customs Prosecution Office.
- 5) Any Insured Incident arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

5) **Commercial Lease Disputes**

We will defend the legal rights of the Policyholder:

- 1) in a dispute with a tenant arising from a breach or alleged breach of the tenancy agreement applying to Premises which are owned by or are the responsibility of the Policyholder;
- 2) to recover money and interest due from a lease, licence or tenancy of land or buildings including enforcement of judgement provided that:
 - a) the amount in dispute exceeds £250;
 - b) the Premises which are the subject to the dispute are insured by the Policy to which this insurance attaches.

What is not covered by **Insured Incident 5) Commercial Lease Disputes**

- 1) A claim where the cause of action arises within 90 days of the start of this cover.
- 2) The recovery of money and interest due from a tenant other than disputes where the tenant intimates that a defence exists.
- 3) A dispute arising from or relating to:
 - a) the renewal of the lease or tenancy agreement;
 - b) a rent review;
 - c) the supply of services by or through the Policyholder.

6) **Residential Repossession**

We will negotiate for the following:

a) *England, Wales and Scotland*

The Policyholder's legal rights in trying to get possession of The Property that has been let under:

- an assured shorthold tenancy; or
- a short assured tenancy; or
- an assured tenancy.

These are all defined by the Housing Act 1988 or the Housing (Scotland) Act 1988.

The Policyholder's legal rights in trying to get possession of The Property if The Property has been let to a limited company or partnership for people to live in.

The Policyholder's legal rights in trying to get possession of The Property if The Property has been let and the Insured Person lives in The Property as the landlord.

b) *Northern Ireland*

The Policyholder's legal rights in trying to get possession of The Property that has been let to which The Private Tenancies Order 2006 applies.

Conditions:

- (i) For both **a)** and **b)** the tenant must be given the correct notices advising that the Policyholder wants possession of The Property;
- (ii) All posted pre-agent notices and pre-proceeding notices must be sent by recorded-delivery post.

What is not covered by **Insured Incident 6) Residential Repossession**

Any claim to repossess The Property because the tenant has behaved anti-socially.

7) **Residential Rent Recovery**

We will negotiate for the Policyholder's legal rights to recover rent owed by the tenant for The Property if it has been overdue for at least one calendar month.

Conditions:

- (i) If the Policyholder accepts payment (or part payment) of Rent Arrears from the tenant of The Property, the Policyholder must be able to provide proof that the Policyholder had warned the tenant that it does not prevent the Policyholder taking further action against them under this Section of the Policy;

Section 6 – Legal Expenses

(ii) Where the tenant is a limited company, the Policyholder must first seek advice from the Representative before accepting payment of Rent Arrears.

8) Residential Rent Arrears

a) We will pay Rent Arrears while the tenant or ex-tenant still occupies The Property.

b) If after vacant possession The Property needs damage repaired to enable it to be re-let, We will pay 50% of the Rent Arrears for a maximum of three months or until The Property is re-let, whichever happens first.

Provided that in both a) and b) We have accepted a claim in respect of The Property under **Insured Incident 6) Residential Repossession** and the Policyholder has:

(i) obtained a satisfactory reference* for each tenant and each guarantor from a licenced referencing service before the tenancy started; and

(ii) a detailed inventory of the contents and condition of The Property (with supporting photographs) which the tenant has signed; and

(iii) kept clear and up to date rental records;

* The reference must include: written references from a previous managing agent or landlord; an employer (or any other financial source); and a credit-history check (including the Enforcement of Judgements Office, County Court Judgements and bankruptcy).

What is not covered by **Insured Incident 8) Residential Rent Arrears**
Rent Arrears once The Property is re-let.

Exclusions

What is not covered (see also General Exclusions):

- 1) Any claim reported to Us more than 180 days after the date the Insured Person should have known about the Insured Incident.
- 2) Costs and Expenses incurred before the written acceptance of a claim by Us.
- 3) Fines, penalties, compensation or damages which the Insured Person is ordered to pay by a court or other authority other than compensation awards as covered under Insured Incident 1(b) Compensation Awards and 2 Legal Defence.
- 4) Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 5) Any Insured Incident deliberately or intentionally caused by an Insured Person.
- 6) A dispute with Us not otherwise dealt with under Condition 6.7 of this Section.
- 7) Any claim relating to a shareholding or partnership share in the Policyholder unless such shareholding was acquired under a scheme open to all employees of the Policyholder or a substantial number of them of a certain minimum grade other than the directors or partners of the Policyholder.
- 8) Judicial Review.
- 9) Any claim caused by, contributed to by or arising from pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
- 10) Legal action an Insured Person takes which We or the Representative have not agreed to or where the Insured Person does anything that hinders Us or the Representative.
- 11) When either at the commencement of or during the course of a claim, the Policyholder is bankrupt or has filed a bankruptcy petition or winding-up petition, or has made an arrangement with its creditors, or has entered into a deed of arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator.
- 12) Apart from Us, the Insured Person is the only person who may enforce all or part of this Section and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the Section in relation to any third-party rights or interest.

Section 6 – Legal Expenses

Clauses & Conditions that apply to Section 6(a) – Commercial Legal Protection

- 6.1** An Insured Person must:
- a) keep to the terms and conditions of this Section;
 - b) notify Us immediately of any alteration which may materially affect Our assessment of the risk;
 - c) take reasonable steps to keep any amount We have to pay as low as possible;
 - d) try to prevent anything happening that may cause a claim;
 - e) send everything We ask for, in writing;
 - f) give Us full details of any claim as soon as possible and give Us any information We need.
- 6.2**
- a) We can take over and conduct in the name of the Insured Person, any claim or legal proceedings at any time. We can negotiate any claim on behalf of an Insured Person.
 - b) We will choose the Representative to represent an Insured Person in any proceedings where We are liable to pay a compensation award. In any other case an Insured Person is free to choose a Representative (by sending Us a suitably qualified person's name and address) if:
 - i) We agree to start legal proceedings and it becomes necessary for a lawyer to represent the interests of an Insured Person in those proceedings; or
 - ii) there is a conflict of interest.
 - c) Before an Insured Person chooses a lawyer or an accountant, We can appoint a Representative.
 - d) A Representative will be appointed by Us and represent an Insured Person according to Our standard terms of appointment (which may include a 'no win, no fee' agreement). The Representative must co-operate fully with Us at all times.
 - e) We will have direct contact with the Representative.
 - f) An Insured Person must co-operate fully with Us and with the Representative and must keep Us up-to-date with the progress of the claim.
 - g) An Insured Person must give the Representative any instructions that We require.
- 6.3**
- a) An Insured Person must tell Us if anyone offers to settle a claim and must not agree to any settlement without Our written consent.
 - b) If an Insured Person does not accept a reasonable offer to settle a claim, We may refuse to pay further Costs and Expenses.
 - c) We may decide to pay the Insured Person a reasonable amount subject to the maximum sum recoverable at law in settlement of damages that the Insured Person is claiming or which is being claimed against them instead of starting or continuing legal proceedings.
- 6.4**
- a) If We ask, an Insured Person must tell the Representative to have Costs and Expenses taxed, assessed or audited.
 - b) An Insured Person must take every step to recover Costs and Expenses that We have to pay and must pay Us any Costs and Expenses that are recovered.
- 6.5** If a Representative refuses to continue acting for an Insured Person with good reason or if an Insured Person dismisses a Representative without good reason, the cover We provide will end at once, unless We agree to appoint another Representative.
- 6.6** If an Insured Person settles a claim or withdraws their claim without Our agreement, or does not give suitable instructions to a Representative, the cover We provide will end at once and We will be entitled to re-claim any Costs and Expenses paid by Us.
- 6.7** If there is a disagreement about the way We handle a claim that is not resolved through Our internal complaints procedure, We and the Insured Person can choose a suitably qualified person to arbitrate. We and the Insured Person must both agree to the choice of this person in writing. Failing this We will ask the president of a national association relevant to the arbitration to choose a suitably qualified person. All costs of resolving the matter must be paid by the party whose argument is rejected. If the decision is not clearly made against either party, the arbitrator will decide how the costs are shared.
- 6.8** We may at Our discretion require the Policyholder to obtain an opinion from counsel at the Policyholder's expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by Us.
- 6.9** We will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this Section did not exist.
- 6.10** This Section will be governed by English law.
- 6.11** All Acts of Parliament within this Section of the Policy wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.

Section 6 – Legal Expenses

Helpline Services

We provide these services 24 hours a day, seven days a week during the Period of Insurance. To help Us check and improve Our service standards, We record all calls.

EuroLaw Commercial Legal Advice

We will give the Policyholder confidential legal advice over the phone on any commercial legal problem affecting the Business, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

Tax Advice

We will give the Policyholder confidential advice over the phone on any tax matters affecting the Business, under the laws of the United Kingdom.

Business Assistance

In the event of an unforeseen emergency affecting the Policyholder's Business Premises which causes damage or potential danger, We will contact a suitable repairer or contractor and arrange assistance on behalf of the Policyholder. All costs of assistance provided are the responsibility of the Policyholder.

To contact the above services phone Us on 0117 934 2111 quoting Your DAS Policy number – TS5/5989283.

Counselling

We will provide all employees (including any members of their immediate family who permanently live with them) of the Policyholder with a confidential counselling service over the phone including, where appropriate, onward referral to relevant voluntary and/or professional services.

To contact the counselling helpline, phone Us on 0117 934 2121. These calls are not recorded.

We will not accept responsibility if the Helpline Services fail for reasons We cannot control. Please do not phone Us to report a general insurance claim.

Employment Manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit Our website at www.das.co.uk. From the Home Page click on the Employment Manual icon. All the sections of this web-based document can be printed off for Your own use. Contact Us at employmentmanual@das.co.uk with Your email address, quoting Your DAS Policy number (TS5/5989283) and We will contact You by email to inform You of future updates to the information.

DASbusinesslaw

The DASbusinesslaw service provides a wide range of letters, articles and reference information, as well as interactive document builders, designed to help You run Your Business.

This service also provides useful tools and information on matters such as new legislation, employment issues, property law and taxation, all regularly updated by legal experts.

To access DASbusinesslaw, You will need to visit www.dasbusinesslaw.co.uk and register using password DAS472301 and Policy number TS5/5989283. When prompted to input Your company name, please insert the prefix TLU followed by the name of Your Business.

If You experience any problems accessing the service, please e-mail the problem to businesslaw@das.co.uk, quoting the above Policy number.

Please note that if You have a specific problem or dispute, You should always contact the legal advice helpline for assistance.

Section 6 – Legal Expenses

Data Protection

To comply with data protection regulations We are committed to processing the Insured Person's personal information fairly and transparently. This section is designed to provide a brief understanding of how We collect and use this information.

We may collect personal details, including the Insured Person's name, address, date of birth, email address and, on occasion, dependent on the type of cover the Insured Person has, sensitive information such as medical records. This is for the purpose of managing the Insured Person's products and services, and this may include underwriting, claims handling and providing legal advice. We will only obtain the Insured Person's personal information either directly from them, the third party dealing with the Insured Person's claim or from the authorised partner who sold them the Policy.

Who We Are

DAS is part of DAS Legal Expenses Insurance Company Limited which is part of DAS UK Holdings Limited (DAS UK Group). The uses of the Insured Person's personal data by Us and members of the DAS UK Group are covered by Our individual company registrations with the Information Commissioner's Office. DAS has a Data Protection Officer who can be contacted through dataprotection@das.co.uk

How We Will Use Your Information

We may need to send the Insured Person's information to other parties, such as lawyers or other experts, the court, insurance intermediaries, insurance companies, appointed service providers, specialist agencies so they may contact the Insured Person to ask for their feedback, or members of the DAS UK Group. If the Insured Person's Policy includes legal advice We may have to send the information outside of the European Economic Area (EEA) in order to give legal advice on non-European Union law.

Dependent on the type of cover the Insured Person has, their information may also be sent outside the EEA so the service provider can administer their claim. We will take all steps reasonably necessary to ensure that the Insured Person's data is treated securely and in accordance with this Privacy Notice. Any transfer outside of the EEA will be encrypted using SSL technology.

We will not disclose the Insured Person's personal data to any other person or organisation unless We are required to by our legal and regulatory obligations. For example, We may use and share the Insured Person's data with other organisations and public bodies, including the police and anti-fraud organisations, for the prevention and detection of crime, including fraud and financial sanctions. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering. Further details explaining how the information held by fraud prevention agencies may be used can be obtained by writing to, or telephoning DAS. A copy is also accessible and can be downloaded via Our website.

What Is Our Legal Basis For Processing Your Information?

It is necessary for Us to use the Insured Person's personal information to perform Our obligations in accordance with any contract that We may have with the Insured Person. It is also in Our legitimate interest to use the Insured Person's personal information for the provision of services in relation to any contract that We may have with You.

How Long Will Your Information Be Held For?

We will retain the Insured Person's personal data for 7 years. We will only retain and use their personal data thereafter as necessary to comply with Our legal obligations, resolve disputes, and enforce Our agreements. If You wish to request that We no longer use the Insured Person's personal data, please contact Us at dataprotection@das.co.uk

What Are Your Rights?

The Insured Person has the following rights in relation to the handling of their personal data:

- the right to access personal data held about them
- the right to have inaccuracies corrected for personal data held about them
- the right to have personal data held about them erased
- the right to object to direct marketing being conducted based upon personal data held about them
- the right to restrict the processing of personal data held about them, including automated decision-making
- the right to data portability for personal data held about them.

Section 6 – Legal Expenses

Any requests, questions or objections should be made in writing to the Data Protection Officer:

Data Protection Officer
DAS Legal Expenses Insurance Company Limited
DAS House
Quay Side
Temple Back
Bristol
BS1 6NH

Or via email: dataprotection@das.co.uk

How To Make A Complaint

If the Insured Person is unhappy with the way in which their personal data has been processed, the Insured Person may in the first instance contact the Data Protection Officer using the contact details above.

If the Insured Person remains dissatisfied then they have the right to apply directly to the Information Commissioner's Office for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

www.ico.org.uk

Section 6 – Legal Expenses

Sub-Section 6(b) – Property Let Legal Protection

This Section applies **ONLY** if the Schedule shows that “Section 6(b) – Property Let Legal Protection” is operative.

This Section is underwritten by DAS Legal Expenses Insurance Company Limited (“DAS”).

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 6(b) – Property Let Legal Protection

We, Us, Our (for the purposes of this Section only)
DAS Legal Expenses Insurance Company Limited (“DAS”).

You, Your
The person, business or property owner who has taken out this Policy.

Appointed Lawyer
The lawyer or other suitably qualified person, whom We appoint to act for You in accordance with the terms of this Section.

Period of Insurance
The period for which We have agreed to cover You.

Date of Occurrence
a) For civil cases
The date of the event which leads to a claim. If there is more than one event arising at different times from the same originating cause, then the Date of Occurrence is the date of the first of these events.
b) For criminal cases
The Date of Occurrence is when You began or are alleged to have begun to break the criminal law in question.

Territorial Limit (for the purposes of this Section only)
The United Kingdom of Great Britain and Northern Ireland.

Costs and Expenses
a) Legal Costs
All reasonable and necessary costs charged by the Appointed Lawyer on a standard basis.
b) Opponents’ Costs
The costs incurred by opponents in civil cases if You have to pay them, or pay them with Our agreement.

Hotel Expenses
Up to £150 per day to cover the cost of Your accommodation for a maximum of 30 days while You are seeking possession of Your Property.

Storage Costs
£10 per day to store Your personal possessions for a maximum of four weeks after the termination of Your tenancy agreement while You are unable to reoccupy Your Property.

Your Property
The property You have told Us about.

Rent Arrears
Unpaid rent that

- is owed to You under a tenancy agreement, or
- would have been owed to You but for the breach of a tenancy agreement to let Your Property;

where We have accepted Your claim under **Insured Incident 1) Repossession**.

Section 6 – Legal Expenses

How We can help

To make a claim under this Section please telephone Us on 0117 934 0553, quoting Your DAS Policy number TS3/5989513. We will ask You about Your legal dispute and if necessary call You back at an agreed time to give You legal advice. If Your dispute needs to be dealt with as a claim under this Section, We will provide You with a claim reference number. At this point We will not be able to confirm that You are covered but We will pass the information You have given Us to Our claims handling teams and explain what to do next.

If You would prefer to report Your claim in writing please send it to the Claims Department, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH.

Alternatively You can email Your claim to Us at newclaims@das.co.uk

When We cannot help

Please do not ask for help from a lawyer or anyone else before We have agreed. If You do, We will not pay the costs involved even if We accept the claim.

Problems

We will always try to give You a quality service. If You think We have let You down, please write to Our Customer Relations Department at Our Head Office address shown below. Alternatively You can telephone Us on 0344 893 9013 or email Us at customerrelations@das.co.uk. Details of Our internal complaint handling procedures are available on request.

Our Head and Registered Office is:

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

If You are still not happy, You can contact the Financial Ombudsman Service at Exchange Tower, London, E14 9SR. They can also be contacted by telephone on 0845 080 1800. Their website is www.financial-ombudsman.org.uk (Using these services does not affect Your right to take legal action).

Cover

We agree to provide the insurance in this Section as long as:

- a) the premium has been paid; and
- b) the Date of Occurrence of the Insured Incident is during the Period of Insurance; and
- c) any legal proceedings will be dealt with by a court, or other body which We agree to, in the Territorial Limit; and
- d) for civil claims it is always more likely than not that You will recover damages (or obtain any other legal remedy which We have agreed to).

What We will pay

For an Insured Incident under this Section We will pay Your:

- Hotel Expenses;
- Legal Costs, including Legal Costs to make or defend an appeal provided that:
 - a) You tell Us within the time limits allowed that You want Us to appeal; and
 - b) We agree that it is always more likely than not that the appeal will be successful;
- Opponents' Costs;
- Rent Arrears, payable by Us 30 days in arrears as shown under **Insured Incidents 5(a) and 5(b) Rent Arrears** of this Section;
- Storage Costs.

The most We will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is £100,000.

Section 6 – Legal Expenses

INSURED INCIDENTS WE WILL COVER

1) **Repossession**

We will negotiate for the following:

a) *England, Wales and Scotland*

Your legal rights in trying to get possession of Your Property that You have let under:

- an assured shorthold tenancy;
- a short assured tenancy; or
- an assured tenancy.

These are all defined by the Housing Act 1988 or the Housing (Scotland) Act 1988.

Your legal rights in trying to get possession of Your Property if You have let Your Property to a limited company or partnership and Your Property has been let for people to live in.

Your legal rights in trying to get possession of Your Property if You have let Your Property and You live in Your Property as the landlord.

b) *Northern Ireland*

Your legal rights in trying to get possession of Your Property that You have let to which The Private Tenancies Order 2006 applies.

Conditions:

- (i) For both **a)** and **b)** You must give the tenant the correct notices telling him or her that You want possession of Your Property;
- (ii) All posted pre-agent notices and pre-proceeding notices must be sent by recorded-delivery post.

What is not covered by **Insured Incident 1) Repossession**

Any claim to repossess Your Property because Your tenant has behaved anti-socially.

2) **Property Damage**

We will negotiate for Your legal rights after an event which causes physical damage to Your Property. The amount in dispute must be more than £1,000.

3) **Eviction of Squatters**

We will negotiate for Your legal rights to evict anyone who is not Your tenant or ex-tenant from Your Property and who has not got Your permission to be there.

4) **Rent Recovery**

We will negotiate for Your legal rights to recover rent owed by Your tenant for Your Property if it has been overdue for at least one calendar month.

Conditions:

- (i) If You accept payment (or part payment) of Rent Arrears from the tenant of Your Property, You must be able to provide proof that You have warned the tenant that it does not prevent You taking further action against them under this Section of the Policy;
- (ii) Where the tenant is a limited company, You must first seek advice from the Appointed Lawyer before accepting payment of Rent Arrears.

5) **Rent Arrears**

- a)** We will pay Your Rent Arrears while Your tenant or ex-tenant still occupies Your Property.
- b)** If after vacant possession Your Property needs damage repaired to enable You to re-let it, We will pay 50% of Your Rent Arrears for a maximum of three months or until Your Property is re-let, whichever happens first.

Provided that in both **a)** and **b)** You have:

- (i) obtained a satisfactory reference* for each tenant and each guarantor from a licenced referencing service before the tenancy started; and
 - (ii) a detailed inventory of the contents and condition of Your Property (with supporting photographs) which the tenant has signed; and
 - (iii) kept clear and up to date rental records;
- and provided that We have accepted Your claim under **Insured Incident 1) Repossession**.

* The reference must include: written references from a previous managing agent or landlord; an employer (or any other financial source); and a credit-history check (including the Enforcement of Judgements Office, County Court Judgements and bankruptcy).

Section 6 – Legal Expenses

What is not covered by **Insured Incident 5) Rent Arrears**

Rent Arrears once Your Property is re-let.

6) Legal Defence

We will:

- a) defend Your legal rights if an event arising from letting Your Property leads to You being prosecuted in a criminal court;
- b) defend an appeal against Your decision not to adapt Your Property following a request under:
 - i) The Disability Discrimination Act 1995 as amended by the DDA 2005;
 - ii) The Housing (Scotland) Act 2006;
 - iii) The Disability Discrimination (NI) Order 1995 as amended by the DD (NI) Order 2006;or any future amending legislation.

Provided that for **Insured Incident 6) b)** You have first tried to resolve the dispute using the free conciliation service of the Equality and Human Rights Commission or the Equality Commission (NI).

Exclusions

What is not covered (see also General Exclusions):

- 1) Any claim reported to Us more than 90 days after the date You should have known about the Insured Incident.
- 2) Any Costs and Expenses, Hotel Expenses or Storage Costs that are incurred before We agree to pay them.
- 3) Any disagreement with Your tenant when the Date of Occurrence is within the first 90 days of the first Period of Insurance and the tenancy agreement started before the start of this Section of the Policy.
- 4) A claim which is fraudulent, exaggerated or dishonest or where an allegation of dishonesty or violent behaviour has been made against You.
- 5) Any claim relating to registering rents, reviewing rents, rent control, buying the freehold of Your Property or any matter that relates to rent tribunals, rates tribunals, land tribunals, rent assessment committees and rent officers.
- 6) Any claim relating to someone legally taking Your Property from You, whether You are offered money or not, or restrictions or controls placed on Your Property by any government or public or local authority unless the claim is for accidental physical damage caused by any of the above.
- 7) Any claim relating to subsidence, mining or quarrying.
- 8) Judicial Review.
- 9) Fines, penalties, compensation or damages which You are ordered to pay by a court or other authority.
- 10) Any claim caused by, contributed to by or arising from pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
- 11) A dispute with Us not otherwise dealt with under Condition 6.7 of this Section.
- 12) Any legal action You take which We or the Appointed Lawyer have not agreed to or where You do anything that hinders Us or the Appointed Lawyer.
- 13) Apart from Us, You are the only person who may enforce all or part of this Section and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the Section in relation to any third-party rights or interest.

Section 6 – Legal Expenses

Clauses & Conditions that apply to Section 6(b) – Property Let Legal Protection

- 6.1** You must:
- a) keep to the terms and conditions of this Section;
 - b) try to prevent anything happening that may cause a claim;
 - c) take reasonable steps to keep any amount We have to pay as low as possible;
 - d) send everything We ask for, in writing;
 - e) give Us full details of any claim as soon as possible and give Us any information We need.
- 6.2**
- a) We can take over and conduct, in Your name, any claim or legal proceedings at any time. We can negotiate any claim on Your behalf.
 - b) You are free to choose an Appointed Lawyer (by sending Us a suitably qualified person's name and address) if:
 - i) We agree to start legal proceedings and it becomes necessary for a lawyer to represent Your interests in those proceedings; or
 - ii) there is a conflict of interest.
 - c) In all circumstances except those in **6.2 b)** above, We are free to choose an Appointed Lawyer.
 - d) The Appointed Lawyer will be appointed by Us to represent You according to Our standard terms of appointment (which may include a 'no win, no fee' agreement). The Appointed Lawyer must co-operate fully with Us at all times.
 - e) We will have direct contact with the Appointed Lawyer.
 - f) You must co-operate fully with Us and with the Appointed Lawyer and must keep Us up-to-date with the progress of the claim.
 - g) You must give the Appointed Lawyer any instructions that We ask for.
- 6.3**
- a) You must tell Us if anyone offers to settle a claim.
 - b) If You do not accept a reasonable offer to settle a claim, We may refuse to pay further Legal Costs.
 - c) We may decide to pay You the losses You are claiming instead of starting or continuing legal proceedings.
- 6.4**
- a) You must tell the Appointed Lawyer to have Legal Costs taxed, assessed or audited, if We ask for this.
 - b) You must take every step to recover Legal Costs that We have to pay and must pay Us any Legal Costs that are recovered.
- 6.5** If an Appointed Lawyer refuses to continue acting for You with good reason or if You dismiss an Appointed Lawyer without good reason, the cover We provide will end at once, unless We agree to appoint another Appointed Lawyer.
- 6.6** If You settle a claim or withdraw it without Our agreement or do not give suitable instructions to an Appointed Lawyer, the cover We provide will end at once and We will be entitled to re-claim from You Costs and Expenses We have paid.
- 6.7** If there is a disagreement about the way We handle a claim that is not resolved through Our internal complaints procedure, You can contact the Financial Ombudsman Service for help.
- 6.8** We will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this Section did not exist.
- 6.9** This Section will be governed by English law.

Section 6 – Legal Expenses

Helpline Services

We provide these services 24 hours a day, seven days a week during the Period of Insurance. All helplines apply to the United Kingdom of Great Britain and Northern Ireland unless otherwise stated. To help Us check and improve Our service standards, We record all calls except those to the counselling service. When phoning, please tell Us Your Policy number or the name of the insurance broker or company who sold You this Policy. Please do not phone Us to report a general insurance claim.

To get help from DAS, phone Us on 0117 934 0553 quoting Your DAS Policy number TS3/5989513.

EuroLaw Legal Advice

We will give You confidential legal advice over the phone on any personal legal problem under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway. We may send information to legal advisors in these countries.

Tax Advice

We will give You confidential advice over the phone on personal tax matters.

Domestic Assistance

We will arrange help or repairs needed if You have a domestic emergency in Your Property, such as a burst pipe, blocked drain, broken window or building damage. We will ask a contractor to help, but You must pay the contractor's costs including any call-out charges.

Counselling

We will provide You with a confidential counselling service over the phone including, where appropriate, onward referral to relevant voluntary or professional services.

To contact the counselling helpline, phone Us on 0117 934 2121. These calls are not recorded.

We will not accept responsibility if the Helpline Services fail for reasons We cannot control. By using these services You are agreeing to Us recording Your call.

Data Protection

To comply with data protection regulations We are committed to processing the Insured Person's personal information fairly and transparently. This section is designed to provide a brief understanding of how We collect and use this information.

We may collect personal details, including the Insured Person's name, address, date of birth, email address and, on occasion, dependent on the type of cover the Insured Person has, sensitive information such as medical records. This is for the purpose of managing the Insured Person's products and services, and this may include underwriting, claims handling and providing legal advice. We will only obtain the Insured Person's personal information either directly from them, the third party dealing with the Insured Person's claim or from the authorised partner who sold them the Policy.

Who We Are

DAS is part of DAS Legal Expenses Insurance Company Limited which is part of DAS UK Holdings Limited (DAS UK Group). The uses of the Insured Person's personal data by Us and members of the DAS UK Group are covered by Our individual company registrations with the Information Commissioner's Office. DAS has a Data Protection Officer who can be contacted through dataprotection@das.co.uk

How We Will Use Your Information

We may need to send the Insured Person's information to other parties, such as lawyers or other experts, the court, insurance intermediaries, insurance companies, appointed service providers, specialist agencies so they may contact the Insured Person to ask for their feedback, or members of the DAS UK Group. If the Insured Person's Policy includes legal advice We may have to send the information outside of the European Economic Area (EEA) in order to give legal advice on non-European Union law.

Dependent on the type of cover the Insured Person has, their information may also be sent outside the EEA so the service provider can administer their claim. We will take all steps reasonably necessary to ensure that the Insured Person's data is treated securely and in accordance with this Privacy Notice. Any transfer outside of the EEA will be encrypted using SSL technology.

Section 6 – Legal Expenses

We will not disclose the Insured Person's personal data to any other person or organisation unless We are required to by our legal and regulatory obligations. For example, We may use and share the Insured Person's data with other organisations and public bodies, including the police and anti-fraud organisations, for the prevention and detection of crime, including fraud and financial sanctions. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering. Further details explaining how the information held by fraud prevention agencies may be used can be obtained by writing to, or telephoning DAS. A copy is also accessible and can be downloaded via Our website.

What Is Our Legal Basis For Processing Your Information?

It is necessary for Us to use the Insured Person's personal information to perform Our obligations in accordance with any contract that We may have with the Insured Person. It is also in Our legitimate interest to use the Insured Person's personal information for the provision of services in relation to any contract that We may have with You.

How Long Will Your Information Be Held For?

We will retain the Insured Person's personal data for 7 years. We will only retain and use their personal data thereafter as necessary to comply with Our legal obligations, resolve disputes, and enforce Our agreements. If You wish to request that We no longer use the Insured Person's personal data, please contact Us at dataprotection@das.co.uk

What Are Your Rights?

The Insured Person has the following rights in relation to the handling of their personal data:

- the right to access personal data held about them
- the right to have inaccuracies corrected for personal data held about them
- the right to have personal data held about them erased
- the right to object to direct marketing being conducted based upon personal data held about them
- the right to restrict the processing of personal data held about them, including automated decision-making
- the right to data portability for personal data held about them.

Any requests, questions or objections should be made in writing to the Data Protection Officer:

Data Protection Officer
DAS Legal Expenses Insurance Company Limited
DAS House
Quay Side
Temple Back
Bristol
BS1 6NH

Or via email: dataprotection@das.co.uk

How To Make A Complaint

If the Insured Person is unhappy with the way in which their personal data has been processed, the Insured Person may in the first instance contact the Data Protection Officer using the contact details above.

If the Insured Person remains dissatisfied then they have the right to apply directly to the Information Commissioner's Office for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

www.ico.org.uk

Section 7 – Directors and Officers Liability

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 7 – Directors and Officers Liability

Claim

Any demand made by a third party upon an Insured Director for damages.

Continuity Date

The date from which You have maintained uninterrupted Director and Officers liability cover with the Insurer.

Defence Costs

Any reasonable fees, costs and out of pocket expenses incurred by any Insured Director, with the prior written consent of the Insurer, in the investigation, defence, settlement or appeal of any Claim.

Employment Practice Violation

Any actual or alleged:

- a) unfair or wrongful dismissal, discharge or termination, either actual or constructive, of an employment relationship or agreement in a manner which is against the law, misleading representation or advertising relating to employment;
- b) failure to employ or promote, unfair deprivation of a career opportunity, unfair discipline, failure to grant tenure or negligent employee evaluation;
- c) sexual harassment in the workplace or workplace harassment of any kind (including the alleged creation or permission of a harassing workplace environment);
- d) employment-related denial of natural justice, invasion of privacy, defamation, wrongful infliction of emotional distress or discrimination on any legally prohibited basis.

Insured Director

Any natural person who is Your past, present or future director, secretary or executive officer. It does not include any externally appointed offices such as receivers, managers, liquidators, administrators, mortgagees in possession and the like.

For the avoidance of doubt, Insured Director shall not include external auditors appointed in accordance with Section 384 of the Companies Act 1985 (UK) or any similar legislation in any other jurisdiction.

Knowledge, First Discovered or Discovery

The knowledge or discovery of a Claim occurs when You become aware of facts which would cause a reasonable person to believe that a Claim covered by the Policy has been or may be incurred, even though the exact amount or details of the Claim may not then be known. Knowledge possessed or discovery made by any of Your directors or officers shall constitute knowledge possessed or discovery made by You.

Claim

- a) damages or judgements, but not punitive, aggravated or exemplary damages;
- b) legal costs and expenses awarded against any Insured Director in respect of any Claim;
- c) Defence Costs;
- d) settlements negotiated with the Insurer's prior written consent;

not including any non compensatory damages, taxes, any amount for which You are not legally liable, or matters which are uninsurable under the law to which the Policy shall be construed.

Claim, damages, judgements, settlements and Defence Costs incurred in more than one Claim against an Insured Director but resulting from a Single Wrongful Act shall constitute a single Claim.

Single Act or Single Wrongful Act

An act or any related or continuous or repeated acts, whether committed by an individual or group of individuals, and whether directed to or affecting one or more person or legal entity.

Transaction

Any of the following events:

- a) You consolidating with or merging with any other person, entity or group of persons, and/or entities acting in concert; or
- b) You becoming a subsidiary of another entity by virtue of any applicable law.

Section 7 – Directors and Officers Liability

Wrongful Act

Any actual or alleged act, error, omission, misstatement, misleading statement, misleading conduct, neglect or breach of duty (excluding an Employment Practice Violation) made, committed, by any Insured Director.

All related or continuous or repeated Wrongful Acts shall be deemed to be one Wrongful Act for the purpose of the cover provided by the Policy.

Cover

The Insurer will pay the Loss of each Insured Director resulting from any Claim first made against them and notified to the Insurer during the Period of Insurance, by reason of any Wrongful Act occurring on or after the Continuity Date, in their capacity as Insured Director. The Insurer shall advance (subject to the Limit of Liability and retention) to each Insured Director Defence Costs incurred before the final disposition of the Claim. Such payments shall be repaid to the Insurer by the Insured Directors severally, according to their respective interests and responsibilities, in the event and to the extent that the Claim is ultimately determined not to be covered or is resolved on terms or in a manner which excludes it from cover under the Policy.

Limit of Liability

The maximum We will pay in respect of any one Claim (including Defence Costs) and in total for all Claims first made during the Period of Insurance shall be £250,000.

Exclusions

What is not covered (see also General Exclusions):

Any Loss:

- 1) arising out of an Employment Practice Violation.
- 2) arising out of, based upon, attributable to, or in any way involving, directly or indirectly:
 - a) the actual, alleged, imminent or threatened discharge, dispersal, seepage, release or escape of pollutants; or
 - b) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants, nuclear material or nuclear waste.
- 3) arising out of bodily injury, sickness, disease, death or emotional distress of any person, or damage to or destruction of any property, including the loss of use of it.
- 4) arising out of any criminal, dishonest, fraudulent, wilful, intentional or malicious acts or omissions, or any knowing or wilful violation of any statute or regulation, or the gaining in fact of any profit or advantage to which You or the Insured Directors were not legally entitled;

however, this exclusion shall only apply if such conduct has been established by final adjudication to have, in fact occurred. It is agreed that Defence Costs will be provided until such final adjudication but may then be recovered from each Insured Director as a debt by the Insurer if this exclusion is to apply.

- 5) arising out of or in any way connected to any:
 - a) litigation, material circumstances or other facts disclosed as contingent liabilities in Your Report & Accounts unless previously agreed by the Insurer;
 - b) any alleged facts or circumstances of which notice was given or ought reasonably to have been given under any policy in force prior to the Continuity Date;
 - c) pending or prior litigation or derived from the same or essentially the same facts as might be alleged in such pending or prior litigation, as at the Continuity Date; or
 - d) fact or circumstance of which You had knowledge as at the inception date of this Policy and might reasonably be expected to give rise to a Claim unless previously agreed in writing by the Insurer.

For purposes of 5), the term litigation shall include, but not be limited to, any civil or criminal proceeding as well as any administrative or regulatory proceeding or official investigation or arbitration or adjudication.

Section 7 – Directors and Officers Liability

- 6) in connection with any Claim made against an Insured Director which is brought by You or any other Insured Director or on Your behalf or on behalf of any other Insured Director; provided however that this exclusion shall not apply to:
 - a) Defence Costs; or
 - b) any Claim brought or maintained by a liquidator, receiver, administrative receiver derivatively on Your behalf without the solicitation or participation of any Insured Director.
- 7) arising out of any legal action or litigation brought in a court within the United States of America or Canada or out of any legal action or litigation brought in a court outside of the United States of America or Canada to enforce a judgement handed down in a court within the United States of America or Canada whether by way of reciprocal agreement or otherwise.
- 8) in connection with any Claim made against an Insured Director directly or indirectly arising out of, or in connection with, any public or private offering, issue or sale of shares, debentures, promissory notes or any other form of negotiable or non-negotiable security for the raising of capital by equity, debt or any other means.
- 9) in connection with any Claim made against an Insured Director brought by, at the instigation of, or on behalf of any past or present shareholder or stockholder who had or has direct or indirect ownership of or control over 15% or more of Your voting shares or rights.
- 10) in connection with any Claim made against an Insured Director arising out of any Claim or any developments of such Claim for or in respect of or in any way arising out of a breach of duty owed in a professional capacity.
- 11) in a capacity as trustee or fiduciary under law (statutory or non-statutory including common) or administrator of any pension, profit sharing or Employee benefits programme.
- 12) in connection with any Claim based upon or arising out of a Wrongful Act committed or alleged to have been committed subsequent to a Transaction.

Section 8 – Equipment Breakdown

This Section is an extension to the cover provided under Sections 1 and 2 of this Policy and will apply only:

- 1) where the Property Damage and Loss of Rental Income Sections of the Policy are shown as operative under the Policy Schedule for the current Period of Insurance;
- 2) where the Schedule shows that “Section 8 – Equipment Breakdown” is operative.

This Section is underwritten by HSB Engineering Insurance Limited.

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 8 – Equipment Breakdown

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the Policy Schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Accident(s)

means

- a) electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force
- b) artificially generated electrical current including electric arcing that damages electrical devices appliances or wires
- c) **explosion** or **collapse** of **covered equipment** operating under steam or other fluid pressure
- d) loss or damage to hot water boilers other water heating equipment oil or water storage tanks or other **covered equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- e) loss or damage caused by operator error that results in the overloading of **covered equipment**

All **accidents** that are the result of the same event will be considered one **accident**

Biomass and biogas installations

means

any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant, including anaerobic digesters, storage tanks, augers, screeners, scrubbers, boilers, gas engines, generators, heat exchangers, pumps and motors

Breakdown

means

- a) the actual breaking failure distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work
- b) fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative
- c) the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary
- d) **electronic derangement**

Collapse

means

the sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents)

Computer equipment

means

building management control systems

Computer media

means

all forms of electronic magnetic and optical tapes and discs for use in any **computer equipment**

Section 8 – Equipment Breakdown

Covered equipment

means

Equipment owned by the Insured or for which the Insured is responsible at the premises specified in the Policy Schedule:

- i) which is built to operate under vacuum or pressure (other than the weight of its contents); or
- ii) that generates transmits stores or converts energy; or
- iii) which is **computer equipment**

Excluding

- (a) any supporting structure foundation masonry brickwork or cabinet
- (b) any insulating or refractory material
- (c) any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery crane or equipment which is included but not the actual vehicle)
- (d) self propelled plant and equipment (other than fork lift trucks and pallet trucks used by the Insured at their premises) dragline excavation or construction equipment
- (e) equipment manufactured by the Insured for sale
- (f) safety or protective devices due to their functioning
- (g) tools dies cutting edges crushing surfaces trailing cables non metallic linings driving belts or bands or any part requiring periodic renewal
- (h) any electronic equipment (other than **computer equipment**) used for research diagnostic treatment experimental or other medical or scientific purposes with a new replacement value in excess of £30,000
- (i) any **manufacturing production or process equipment** including linked **computer equipment**
- (j) any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- (k) any kitchen and food preparation equipment laundry and cleaning equipment audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is the property of the Insured or for which they are responsible)
- (l) any **biomass or biogas installation**
- (m) any **hydroelectric installation**

Electronic derangement

means

malfunction of the **computer equipment** or electronic circuitry controlling or operating the **covered equipment** that is not accompanied by visible damage and requires replacement of one or more insured components of the **covered equipment** in order to restore it to its normal operation

Electronic derangement does not include

- (a) the rebooting, reloading or updating of software or firmware
- (b) the incompatibility of **covered equipment** with any software or equipment installed, introduced or networked within the previous 30 days
- (c) the **covered equipment** being of insufficient size, specification or capacity

Explosion

means

the sudden and violent rending of **covered equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **covered equipment** together with forcible ejection of the contents

Hazardous substance

means

any substance other than ammonia that has been declared to be hazardous to health by a governmental agency

Hired In Plant

means

mechanical electrical or manually powered implements materials containment preparation and handling equipment scaffolding staging ladders and similar equipment site huts cabins or similar contractors plant and equipment hired in by the Insured

Hydroelectric Installations

means

any equipment, machinery, dam and weir used in connection with running a hydroelectric-power station, including turbines, sluice gates, screens, screeners, pumps, motors, generators, gearboxes, engines, alternators and associated equipment. Hydroelectric Installations also include any substation and

Section 8 – Equipment Breakdown

distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing (including fixtures and fittings), and security equipment.

Manufacturing production or process equipment

means

any machine or apparatus (other than boilers lifts fork lift trucks dock levellers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by the Insured and any equipment which exclusively serves such machinery or apparatus

Service provider

means

a business that the Insured hires under a written contract to perform services on its behalf in connection with the Insured's business

Transit

means

the loading, unloading and movement of ***covered equipment*** (owned by the Insured or for which the Insured is responsible) other than by air or sea unless the sea transit is by roll-on/roll-off ferry

Cover

Subject to all of the provisions stated herein and in the policy of which this Section is intended to be part the Insurer agrees to provide insurance for direct physical loss or damage and any specified consequential loss from an ***accident to covered equipment*** at the premises specified in the Policy Schedule subject to a maximum liability of £5,000,000 for any one ***accident***.

Extensions of Cover and Sub-limits

The following Extensions of cover apply to loss or damage caused by or resulting from an ***accident to covered equipment***

1. Away from premises

The insurer shall provide insurance for direct physical loss or damage and any specified consequential loss from an ***accident to covered equipment***

- a) during ***transit*** anywhere in the United Kingdom, the Channel Islands, the Isle of Man
- b) whilst temporarily removed from the premises specified in the Policy Schedule to anywhere within the United Kingdom, the Channel Islands, the Isle of Man
 - i) as long as the ***covered equipment*** remains under the Insured's control, or
 - ii) if it is removed for the purpose of repair, replacement, restoration, service or modification

Limit of Liability and Sub Limits

The Insurer's liability shall not exceed £5,000,000 for any one ***accident***, any one Policy.

The following Sub Limits apply:-

2. Hazardous Substances

The Insurer shall be liable for the additional cost to repair or replace ***covered equipment*** because of contamination by a ***hazardous substance*** including any additional expenses incurred to clean up or dispose of such property

The liability of the Insurer shall not exceed £10,000 any one ***accident*** in respect of such additional costs

3. Reinstatement of Data and Computer Increased Costs of Working

The Insurer shall be liable for the following costs incurred in consequence of an ***accident*** to or ***electronic derangement of computer equipment***, including such loss or damage which occurs at the Insured's ***service provider(s)*** premises

Section 8 – Equipment Breakdown

A) Reinstating data lost or damaged

The liability of the Insurer shall not exceed £50,000 any one **accident**

Provided that

- (a) liability is limited solely to the cost of reinstating data onto **computer media**
- (b) the Insurer shall not be liable for loss of or damage to software

B) Reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to the computer operations of the Insured

The liability of the Insurer shall not exceed £50,000 any one **accident** in respect of such additional costs

4. Loss of Rental Income

Provided that the Loss of Rental Income section of this Policy is operative the Insurer shall be liable for financial loss caused by or resulting from an **accident to covered equipment**, including such loss or damage which occurs at the Insured's **service provider(s)** premises

The liability of the Insurer in any one Period of Insurance shall not exceed £100,000 under this extension

The Insurer shall not be liable under this extension for any loss resulting from Extension 10 - Damage to Own Surrounding Property

5. Public Authorities/Law or Ordinance

If an **accident to covered equipment** damages a building that is covered under this Policy and the loss is increased by enforcement of any public authority ordinance or law in force at the time of the **accident** that regulates the construction or repair of buildings or establishes zoning or land use requirements the Insurer shall be liable for the following additional costs to comply with such ordinance or law:

- a) the Insured's actual expenditures for the cost to demolish and clear the site of undamaged parts
- b) the Insured's actual expenditures for increased costs to repair rebuild or construct the building. If the building is repaired or rebuilt it must be intended for similar use or occupancy as the current building unless otherwise required by zoning or land use ordinance or law

The Insurer shall not be liable for:

- i) any fine
- ii) any liability to a third party
- iii) any increase in loss due to a hazardous substance (other than as specifically insured under Extension of Cover 2)
- iv) increased construction costs until the building is actually repaired or replaced

This extension is within and does not increase the limit of liability shown in the Policy Schedule

6. Public Relations Costs

In the event of financial loss and with their prior written agreement the Insurer will pay the cost for the services of a professional public relations firm to assist the Insured in creating and disseminating communications to:

- the media
- the public
- the Insured's customers and clients

7. Expediting Expenses

With respect to damaged **covered equipment** the Insurer shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement

The liability of the Insurer shall not exceed £20,000 any one **accident** under this extension

Section 8 – Equipment Breakdown

8. Hire of Substitute Item

If **covered equipment** is damaged as a result of an **accident** the Insurer shall be liable for the cost of hire charges actually incurred by the Insured during the Period of Insurance for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged

The liability of the Insurer shall not exceed £10,000 any one **accident** under this extension

9. Storage Tanks and Loss of Contents

The insurance under this Policy extends to include damage caused by an **accident** to oil storage tanks or water tanks including connected pipework belonging to the Insured or for which the Insured is responsible at the premises

In addition this extension covers loss of the contents of oil storage tanks caused by

- a) escape of contents - leakage discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- b) contamination - contamination of the contents of oil storage tanks caused by or resulting from an **accident** including cleaning costs incurred as a result of such loss

The liability of the Insurer shall not exceed £10,000 any one **accident** under this extension

10. Damage to Own Surrounding Property

The Insurer will pay for damage to property at the premises belonging to the Insured or in their custody and control and for which they are responsible directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure

The liability of the Insurer shall not exceed £2,000,000 any one **accident** under this extension

11. Additional Access Costs

Provided that the Loss of Rental Income section of this Policy is operative the Insurer shall be liable under this extension for any necessary additional costs incurred in order to gain access to repair or replace the **covered equipment** following an **accident**

The liability of the Insurer shall not exceed £20,000 any one **accident** under this extension

12. Debris Removal

The Insurer shall be liable under this extension for costs incurred in the removal of debris and protection of **covered equipment** following an **accident**

The liability of the Insurer shall not exceed £25,000 any one **accident**

13. Repair Costs Investigation

With their prior written agreement the Insurer will pay costs relating to repair investigations and tests by consulting engineers for damage to **covered equipment** following an **accident** for an amount not exceeding £25,000 any one **accident**

The Insurer shall not be liable under this extension for fees incurred in preparing a claim under this Policy

14. Hired In Plant Extension

The Insurer will indemnify the Insured in respect of plant hired in by them against their legal liability under the terms of the hiring agreement to pay

- a) for physical loss of or damage to the plant
- b) continuing hiring charges for the plant following loss or damage insured under a)

whilst the plant is at any premises stated in the Policy Schedule and whilst in transit (other than by sea or air) from one premises to another

Subject to a limit of £20,000 in the aggregate during any one Period of Insurance

Where legal proceedings have been initiated against the Insured with respect to an indemnifiable incident under this Extension the Insurer will with its written consent pay all legal expenses actually incurred by the Insured

Section 8 – Equipment Breakdown

Special Conditions

Hiring Conditions

The insurance provided by this Extension will indemnify the Insured to the extent required by

- a) The Model Conditions for the Hiring of Plant recommended by the Construction Plant-hire Association or the Scottish Plant Owners Association or conditions not more onerous
- or
- b) specific conditions agreed by the Insurer in writing and endorsed hereon

In the event of a loss involving hire conditions more onerous than those covered by this Extension the indemnity provided will be limited to liability under a) or b) above as applicable

Multiple Lifting Operations

For the insurance provided under this Extension to be operative during any operation in which a load is shared between any items of lifting plant or lifting equipment (whether insured under this Extension or not) the lifting operation must be conducted in accordance with BS7121

Special Exclusions

1) Hire Purchase or Free Loan

Physical loss of or damage to any property on free loan or hire purchase to the Insured

2) Road Vehicles

Loss of or damage to

- a) licensed cars lorries vans trucks or other road vehicles which are used in circumstances requiring insurance under any road traffic legislation (other than contractors plant as a tool of trade)
- b) quad bikes or motorcycles

3) Unexplained Losses

Unaccountable losses or losses discovered on the occasion of checks or inventories unless the Insured can produce reasonable proof that such losses are as a result of an identifiable incident

4) Loss of Use

Loss of use of the property insured by this Extension or consequential loss of any kind.

15. Energy Efficiency Improvements

With their prior written agreement the Insurer will pay the additional cost to replace the damaged **covered equipment** following an **accident** with similar equipment that is better for the environment, safer and more efficient than the **covered equipment** being replaced

The liability of the Insurer shall not exceed 25% of the new replacement cost of the damaged **covered equipment** or £25,000 whichever is less

Basis of Claims Settlement

As described in the Property Damage and Loss of Rental Income sections of this policy.

Exclusions

What is not covered (see also *General Exclusions*):

1. The Insurer will not be liable for loss or damage caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
2. The Insurer will not be liable for loss or damage to data or **computer media** of any kind caused by:
 - a) programming error or programming limitation
 - b) computer virus

Section 8 – Equipment Breakdown

- c) introduction of malicious code
 - d) loss of data (other than as specifically provided for under Extension of Cover 3A Reinstatement of Data)
 - e) loss of access
 - f) loss of use
 - g) loss of functionality
3. The Insurer will not be liable for loss or damage caused by:
- a) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions
 - b) any condition which can be corrected by resetting calibrating realigning tightening adjusting or cleaning or by the performance of maintenance
- But if loss or damage from an **accident** results the Insurer will be liable for that resulting loss or damage
4. The Insurer will not be liable for loss or damage recoverable under any maintenance agreement or any warranty or guarantee
5. The Insurer will not be liable to pay for any claim, cost or loss caused by or resulting from the Insured's commercial decision to stop trading, or the decision of a **service provider** to stop or reduce trade with the Insured or restrict services.

Additional Conditions that apply to Section 8 – Equipment Breakdown

8.1 Precautions

The Insured shall exercise due diligence in:

- a) complying with any statute or order
- b) ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent loss or damage

8.2 Back-Up Records

The Insured must back up original data at least every 7 days.

If a **service provider** processes or stores data for the Insured, the Insured must make sure that the terms of the contract with the **service provider** allows for data to be backed up in line with this condition.

The Insured must take precautions to make sure that all data is stored safely.

If the Insured fails to keep to this condition, the Insurer may still pay a claim if the Insured can show that formal procedures are in place to keep to this condition and that the failure was an accidental oversight or as a result of circumstances beyond the Insured's control.

How We use Your information

We are the controller of any personal information (for example, names, addresses, telephone numbers, job titles or dates of birth) You provide to Us, or which is processed in connection with Your Policy. We collect and process information about You that We consider to be necessary in order to make decisions about the cover We provide to You, any claims You make, or to detect and prevent fraud. We also may record incoming and outgoing telephone calls with You for training, monitoring and quality control purposes.

We may share Your information with, and obtain information about You from, companies within the Munich Re Group, other insurers, brokers, loss adjusters, credit reference agencies, fraud prevention agencies or other third parties who provide services on Our behalf.

For further details on how Your information is used and Your rights in relation to Your information, please see Our Privacy statement at <https://www.munichre.com/HSBEIL>.

Section 9 – Cyber

This Section applies **ONLY** if the Schedule shows that “Section 9 – Cyber” is operative.

This Section is underwritten by HSB Engineering Insurance Limited.

Certain words have specific meanings for the purpose of this Section, these are shown below, and the General Definitions shown in Section 10 also apply to this Section. The General Conditions in Section 11 and General Exclusions in Section 12 also apply to this Section.

Definitions for Section 9– Cyber

Where the words below are printed bold in this document or the schedule, they have the meanings shown here.

Act of terrorism

An act or threat any person or group (whether acting alone or in connection with any organisation or government) commits for political, religious, ideological or similar purposes, including to influence any government or frighten the public.

Business

Your business activities relating to the ‘Business description’ shown in the schedule.

Business income

This means:

- the amount of net income (profit or loss before taxes) which you would have earned after the **time excess** if the **cyber event** had not happened;
- normal operating expenses that continue, including ordinary payroll.

Computer equipment

Computers and associated equipment, telecommunications equipment and software and programs used to process **data**, but not including:

- **portable equipment**;
- **electronic office equipment**;
- equipment controlling manufacturing processes, or forming part of machinery; or
- equipment held as stock or which you have manufactured and is intended for sale or repair in the course of your **business**.

Computer system

Hardware, data, computer networks, websites, intranet and extranet sites.

Computer virus

Any malware, program code or programming instruction designed to have a damaging effect on a **computer system**.

Condition precedent

An important legal term which sets out a step or action you must take. If you do not keep to or meet the requirements set out in a **condition precedent** you will not be able to bring a claim under this Section and we will not become legally responsible to pay that claim.

Cyber event

This means:

- loss, corruption, accidental or malicious deletion of or change to, unauthorised access to, or theft of **data**;
- **damage** to websites, intranet or extranet sites;
- **damage** or disruption caused by **computer virus, hacking or denial of service attack**; or
- failure of or variation in the supply of electricity or telecommunications networks owned and operated by you;

affecting your **computer system**, the **computer system** of a **service provider** or customer of yours.

Damage

Total or partial loss, damage, destruction, breakdown or corruption.

Section 9 – Cyber

Damages

This means:

- financial compensation you have to pay, except for fines, penalties, liquidated damages (contractual penalties), punitive or exemplary damages (extra damages to punish you) or aggravated damages (more severe damages to reflect the seriousness of an offence); or
- third parties' costs and expenses you have to pay as a result of a claim being brought against you.

Data

Facts, concepts, information, ideas, text, recordings and images which are converted to a form which can be processed by **hardware**, but not including software and programs.

Data privacy obligations

Legal obligations relating to securing, managing and preventing unauthorised access or use of **data**, and arising under:

- applicable data-protection regulations anywhere in the world associated with the confidentiality of, access to, control of and use of **personal data** which are in force at the time you discover you have failed to keep to your data privacy obligations;
- guidance from the Information Commissioner's Office or similar organisations worldwide;
- the Payment Card Industry Data Security Standard or other contractual obligations relating to handling credit-card and debit-card information;
- privacy statements and confidentiality agreements.

Defence costs

Costs and expenses we agree to in writing for investigating, settling or defending a claim against you.

Denial of service attack

Malicious and unauthorised attack which overloads any **computer system**.

Directors and officers

Directors, officers, principals, partners or members while they are employed by you and under your control in connection with the **business**.

Electronic office equipment

Photocopiers, fax machines, shredders, addressing machines, franking machines, televisions and associated equipment, DVD and CD recorders and players, video and audio conferencing and projection equipment and associated software and programs.

Employee

This means any:

- person employed, borrowed or hired by you, including apprentices;
- labour master or labour-only subcontractor (or a person supplied by any of them);
- self-employed person;
- person taking part in any government or otherwise authorised work experience, training, study, exchange or similar scheme;
- person doing voluntary work for you; or
- person supplied to you under a contract or agreement which states that they are in your employment;

when they are working for you in connection with your **business**, but not including your **directors and officers**.

Excess

The 'Excess' shown in the schedule, which is the amount of your claim that we will not pay.

Hacking

Unauthorised or malicious access to any **computer system** by electronic means.

Section 9 – Cyber

Hardware

Computer equipment, portable equipment and electronic office equipment and software.

Indemnity period

The period during which you suffer a loss of **business income** or have to pay extra costs, starting on the date of the **cyber event** and ending no later than the last day of the **indemnity period** shown in the schedule.

Period of insurance

The period of time, as shown in the schedule, during which you are covered by the policy, unless it is cancelled.

Personal data

Information which could identify a person or allow identity theft or other fraud to take place.

Portable equipment

Laptops, palmtops, notebooks and tablet computers, removable satellite-navigation systems, digital cameras and smartphones and associated software and programs.

Service provider

A business that you hire under a written contract to perform services on your behalf in connection with your **business**.

Sum insured

The amount shown in 'How much we will pay'.

Time excess

The time period, as shown in the schedule, we will not pay any loss of **business income** for.

What is covered?

For the purposes of (a) – Cyber liability, references to 'you' also mean any of your **employees** or **directors and officers**.

(a) – Cyber liability

We will pay **damages** and **defence costs** arising from a claim first made against you during the **period of insurance** and in the course of your **business** as a result of:

- you or your **service provider** failing to secure, or prevent unauthorised access to, publication of or use of **data** (including any interference with any right to privacy or publicity, breach of confidence or your **data privacy obligations**);
- you unintentionally transmitting, or failing to prevent or restrict the transmission of, a **computer virus**, **hacking** attack or **denial of service attack** from your **computer system** to a third party; or
- loss of reputation (including that of a product) or intellectual property rights being infringed (broken, limited or undermined) as a result of:
 - the content of any emails distributed by your **computer system**;
 - the content of your website;
 - online promotional marketing material; or
 - other **data** processed or distributed by your **computer system**.

Section 9 – Cyber

(b) – Data-breach expense

If during the **period of insurance** you discover that you have failed to keep to your **data privacy obligations** in the course of your **business**, we will pay the following.

- The cost of hiring professional legal and forensic information-technology services to investigate and tell you how you should respond.
- The cost of informing affected parties, the data privacy regulator and other relevant third parties or organisations worldwide.
- The cost of providing the following support services to affected parties as the result of you failing to keep to your **data privacy obligations**.
 - Credit file monitoring, identity theft assistance and helping the affected parties to correct their credit records and take back control of their personal identity.
 - Providing a helpline to respond to enquiries after informing affected parties.

These services will only be provided for 12 months, and only if:

- the **data privacy obligations** you have failed to keep to relate to **personal data**; or
 - you must provide the relevant service under your **data privacy obligations**.
- Public-relations and crisis-management expenses, if we have given our written permission, for communicating with the media, your customers and the public to minimise damage to brands and business operations, and any damage to your reputation.

(c) – Computer system damage, data, extra cost and business income.

We will pay for the following arising as a result of a **cyber event** you discover during the **period of insurance**:

- the cost of investigating, reconfiguring and rectifying any **damage** to your **computer system** or the **computer system** of a **service provider**, and restoring and recreating **data**; and
- extra costs to prevent or reduce the disruption to the functions carried out by your **computer system** during the **indemnity period**; and
- your loss of **business income** during the **indemnity period**.

The amount of loss of **business income** we pay will be based on your **business income** during the 12 months before the **cyber event**, as recorded in your accounts. We will make adjustments to reflect trends and circumstances which may affect the **business income**, or which would have affected the **business income** whether or not the **cyber event** had happened.

This does not include the value of **data** to you, even if the **data** cannot be restored or recreated.

Section 9 – Cyber

(d) – Cyber crime

We will pay for the following which arise during the **period of insurance**:

- Your financial loss as the result of a fraudulent input, destruction or modification of **data** in your **computer system**, or the **computer system** of your **service provider**, which results in:
 - money being taken from any account;
 - goods, services, property or financial benefit being transferred; or
 - any credit arrangement being made;as long as you have not received any benefit in return, and you cannot recover the loss from a financial institution or other third party.

We will also pay the cost of proving that transactions are fraudulent and that contracts or agreements were entered into fraudulently.

- Your liability to make any payment to your telephone service provider as the result of **hacking** into your **computer system**.
- The cost of employing specialist support to verify that a threat is genuine and to help you to respond, and with our written agreement pay a ransom demand, if anyone has or threatens to:
 - cause **damage** to or disrupt your **computer system** by introducing a **computer virus**, or to initiate a **hacking** attack or **denial of service attack** against you;
 - release, publish, corrupt, delete or alter **data** from your **computer system** if this would cause you commercial or financial harm or damage your reputation; or
 - fraudulently or maliciously use your **computer system** to cause a loss to you or a third party;as long as you can demonstrate that you have good reason to believe that the threat is not a hoax, and you have reported it to the police.

How much we will pay

The most we will pay for all claims we accept under this section in total for the **period of insurance** is £25,000 plus any 'Extra cover limits' shown below, regardless of the number of claims or claimants.

Defence costs

Any **defence costs** we pay will be within, not on top of, the **sum insured**.

Paying out the sum insured

For any and all claims arising for the **period of insurance** we may pay the full **sum insured** that applies.

When we have paid the full **sum insured**, we will not pay any further amounts for any claims or for associated **defence costs** arising after we pay the full **sum insured**.

Section 9 – Cyber

Extra cover

We will provide the extra cover below. For each extra cover we will not pay more than £15,000 in total for the **period of insurance**.

1. Accountants' fees

We will pay the cost of you providing the information we need to work out the amount we should pay as a result of:

- extra staffing costs; and
- extra fees charged by your usual auditors or accountants.

2. Avoiding corruption

If we have agreed in writing:

- we will pay the cost of locating and removing a **computer virus** from your **computer system** which has not necessarily caused any **damage** or disruption; and
- where a **computer virus** or **hacking** attack has affected your **computer system** during the **period of insurance**, we will pay the cost of hiring professional consultants to make recommendations on how to prevent your **computer system** from being infected by **computer virus** or to prevent **hacking**.

3. Investigation cost

If we accept a claim for **damage** or other loss, and we agree in writing, we will pay the cost of investigating possible repair, replacement or restoration.

4. Loss-prevention measures

We will pay the cost of preventing or minimising actual or expected **damage** or other loss covered by this Section, as long as:

- **damage** or other loss would be expected if the measures were not taken;
- we are satisfied that the **damage** or other loss has been prevented or minimised by these measures; and
- the cost is limited to the cost of **damage** or other loss which would have been caused.

The full terms and conditions of this section apply as if **damage** or other loss covered by this section had arisen.

5. Security audit

If the failure to keep to **data privacy obligations** insured by this section resulted from security weaknesses in your **computer system**, we will pay the cost of a professional consultant carrying out an audit of your **computer system** to assess the security weaknesses and advise you on how to make improvements.

6. Temporary and fast-tracked repair

If we accept a claim for **damage** or other loss, we will pay the cost of making temporary repairs and fast-tracking a permanent repair, replacement or restoration.

Section 9 – Cyber

Special conditions

You must keep to the following conditions whenever you need to make a claim under this Section. If you do not meet these conditions, and this reduces our legal or financial rights under this Section, we may refuse to pay part or all of your claim.

1. Reporting a claim

It is a **condition precedent** of this Section that as soon as you know about any incident or circumstance that may result in a claim that you tell the person who arranged the policy (or us), providing full details, as soon after the incident or circumstance as possible and within 14 days:

- if as a result of riot, civil commotion, strike, locked-out workers or people taking part in labour disturbances; and
- in the case of you knowing about an incident or circumstance that has resulted in, or may result in:
 - a claim being made against you;
 - you receiving a demand for **damages**;
 - you receiving a notice of regulatory action; or
 - you receiving a notice of any other process seeking **damages**;

As soon as you know about any incident or circumstance that may result in a claim you must also:

- take all reasonable steps and precautions to prevent further damage, loss of business income or other loss;
- immediately tell the police about any loss or damage relating to crime and get a crime reference number;
- keep any **damaged hardware**, other property covered by this Section and other evidence and allow us to inspect it; and
- give us details of any other insurances you may have which may cover **damage**, loss of **business income**, **damages**, **defence costs** or other loss insured by this Section.

In addition, for any incident or circumstance that may result in a claim you must:

- immediately send us every letter, writ, summons or other document you receive in connection with the claim or circumstance, and record all information relating to a claim against you that is covered under Part (a) – ‘Cyber liability’;
- co-operate with us fully and provide all the information we need to investigate your claim or circumstance;
- tell us if you recover money from a third party (you may need to give the money to us); and
- not admit responsibility or liability, or agree to pay any money or provide any services on our behalf, without our written permission.

2. Fraudulent claims

If you (or anyone acting for you) make a claim that you know is in any way false or exaggerated, we will not pay the claim and we may cancel your policy from the time of the fraudulent act relating to your claim (see ‘Our rights to cancel your policy’). We may also cancel any other policies you have with us.

3. Enforcing your rights

We may, at our expense, take all necessary steps to enforce your rights against any third party. We can do this before or after we pay a claim. You must not do anything before or after we pay your claim to affect our rights and you must give us any help and information we ask for.

You must take reasonable steps to make sure that you protect your rights to recover amounts from third parties.

Section 9 – Cyber

4. Fair presentation

You must make a fair presentation by disclosing and not misrepresenting every material circumstance which you know or ought to know when you first buy your policy, ask us to make a change or when you renew it.

If you fail to make a fair presentation and if:

- your failure is deliberate or reckless, we will treat your policy as if it never existed, refuse all claims and keep any premium you have paid. If your failure occurs during a change to your policy we will terminate your policy from the date of that change, refuse subsequent claims and keep any premium you have paid.
- your failure was not deliberate or reckless and we would not have issued your policy had you made a fair presentation, we will treat your policy as if it never existed and return any premium you have paid. If your failure occurs during a change to your policy we will treat your policy as though the change was not made and return any extra premium you paid.
- your failure was not deliberate or reckless and we would have issued or changed your policy on different terms had you made a fair presentation, we will:
 - alter the terms of your policy to those we would have imposed (other than those relating to premium); and/or
 - reduce the amount paid or payable on any claim in proportion to the amount of additional premium we would have charged.

5. Protecting data

You must make sure that the appropriate procedures are in place for disposing of and destroying **hardware** and hard copy files in order to protect **data**.

6. Controlling defence

We can, but do not have to, take control of investigating, settling or defending any claim made against you. We would take this action in your name. If necessary, we will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. We may appoint your solicitor, but only on a fee basis similar to that of our own solicitor, and only for work done with our permission in writing. We will only defend claims if we think that there is a reasonable chance of being successful, and after taking the costs of the defence into account.

7. Other insurances

If there is any other insurance covering your claim, we will only pay our share, even if the other insurer refuses to pay the claim.

8. Salvage and recoveries

If you have made a claim and you later recover money from a third party, you must tell us immediately. If we have paid the claim, you may have to give the money to us.

If we have paid a claim and we then recover money from a third party, we will give you any proceeds above the amount we paid you in connection with the claim.

Any amount due from you or us must be paid as soon as reasonably possible.

9. Reasonable care

You must:

- make sure that your **hardware** is maintained, inspected and tested as recommended by the manufacturer ;
- keep a record of all maintenance and **data** back-up procedures and maintenance carried out, and let us check those records;
- take all reasonable steps and precautions to prevent or reduce **damage** or other loss covered by this Section; and
- not continue to use **hardware** after **damage**, unless we have given our written permission.

Section 9 – Cyber

If you do not keep to this condition we may:

- refuse to pay part or all of your claim; and
- cancel your policy (see section General Condition 11.3, Cancellation, page 87).

10. Change in risk

Your cover will not be affected by any act, failure to act or change in circumstance which increases the risk of **damage**, loss of **business income** or a claim for **damages** or other loss covered by your policy and which you could not have known about or controlled.

As soon as you (or anyone acting for you) become aware of any act, failure or change in circumstance which may affect the policy, you must tell us as soon as possible and keep to any extra terms and conditions we set. This applies to any change of circumstance which arises, whether before or during the **period of insurance**, including before we renew your policy.

11. Defence software

Your **computer system** must be protected by a virus-protection software package which is:

- licensed to you;
- paid for and not freely available; and
- updated at least every 7 days.

Your **computer system** must also be protected by a firewall on all external gateways to the internet, and that firewall must be maintained.

12. Contracts (Rights of Third Parties) Act 1999

Any person or company who is not named in the schedule has no right under the Contracts (Rights of Third-Parties) Act 1999 (or any other law) to enforce any term of the policy.

13. Data backup

You must back up original **data** at least every 7 days.

If a **service provider** processes or stores **data** for you, you must make sure that the terms of the contract between you and the **service provider** allow **data** to be backed up in line with this condition.

You must take precautions to make sure that all **data** is stored safely.

If you have failed to keep to this condition, we may still pay a claim if you can show that formal procedures are in place to keep to this condition and that the failure was an accidental oversight or as a result of circumstances beyond your control.

14. Fraud and misrepresentation

If we find that you (or anyone acting for you) have not told us about, or have misrepresented, any important fact, and that affected our decision to provide cover or the terms of your policy, we may treat your policy as though it never existed. Or we may change the terms and conditions of your policy and not pay part or all of any claim. If we treat your policy as if it never existed, we can recover any amounts we have already paid under the policy.

If we treat your policy as if it never existed because of fraud, we may keep any premium you have paid. We may also report the matter to the police and notify any other relevant organisations of the circumstances.

15. More than one insured

If more than one 'Insured' is named in the schedule, the first named insured will receive all notices and agree any changes to the policy and will be treated as acting for all the named insureds. We will not remove any named insured without their permission.

For any claim, the total amount we will pay will not be more than the sum insured, regardless of the number of people or organisations insured by the policy.

16. Paying the premium

You must pay the premium on or before the start of the **period of insurance** or on dates agreed by us.

Section 9 – Cyber

If you do not pay a premium on time, we may cancel the policy (see section General Condition 11.3, Cancellation, page 87).

17. Right to survey

If we ask, you must give us access to your premises at an agreed date and time to carry out a risk survey.

If you do not keep to this condition we may cancel the policy (see section General Condition 11.3, Cancellation, page 87).

18. Tax

Any claim we pay will not include VAT, unless you cannot recover part or all of the VAT you have paid.

What is not covered?

We will not pay for any claim, cost or loss caused by or resulting from the following:

1. Associated companies or other insured parties

Any claim brought against you by:

- another person named as 'insured' in the schedule;
- any of your parent or subsidiary companies; or
- any company which you are a director, officer, partner or employee of and have a financial interest in.

This exclusion does not apply to **personal data** relating to **employees** or **directors and officers** as long as any benefit they receive is no more than any third party would receive.

2. Circumstances before your policy started

- Circumstances which existed before any cover provided by this Section started, and which you knew about.
- Claims or circumstances which you have already reported, or which you should have reported, to a previous insurer before the **period of insurance**.

3. Confiscation

Your property being confiscated or **damaged** by, or under the order of, any government, public or police authority, other than:

- to protect life or prevent damage to property; or
- as the result of a regulatory investigation after you have failed, or allegedly failed, to keep to your **data privacy obligations**.

4. Credit-card or debit-card fraud

For 'Part (d) Cyber crime' of 'What is covered' – any financial loss resulting from actual or alleged fraudulent use of credit card or debit card.

5. Deficiency or improvements

The cost of correcting any failings in procedures, systems or security.

6. Deliberate defamation or disparagement

Defamatory or disparaging statements or publications made deliberately or recklessly if it could be anticipated by a reasonable person that the statements could result in a claim against you.

7. Employer liability

You failing to keep to any obligation you have to your **employees** or **directors and officers**, unless this is specifically insured by this Section after your **data privacy obligations** have not been met.

8. Excess

The amount specified as the 'Excess' in the schedule.

Section 9 – Cyber

9. External network failure

For 'Part (c) – Computer system damage, data, extra cost and business income' of 'What is covered', the failure or interruption of or damage to any electrical power supply network or telecommunication network not owned and operated by you. This exclusion shall not apply to any cost or loss caused by or resulting from physical damage if otherwise insured by this Section, to the electrical power supply network, telecommunications or other property.

Telecommunications networks include, but not limited to, the internet, internet service providers, Domain Name System service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

10. Extortion or ransom

Any extortion, blackmail or ransom payments or demands, other than in connection with cover provided by (d) – 'Cyber crime' under 'What is covered?'.

11. Financial reporting

Any mistakes in financial statements or representations concerning your **business**.

12. Fines and penalties

Any fines, penalties, punitive or exemplary damages (extra damages to punish you).

13. Indirect loss

Penalties you have to pay under a contract for any delay or in connection with guarantees of performance or efficiency.

14. Intentional acts

Any intentional act, or failure to act, by you or your **directors and officers**, unless the act or failure to act is a measure to prevent or minimise injury, **damage** to your **hardware**, loss of **business income** or a claim for **damages**.

15. Legislation and regulations

You actually or allegedly breaking any taxation, restraint of trade, competition or anti-trust law or regulation.

16. Normal upkeep

The cost of normal **computer system** maintenance.

17. Nuclear risks

- Ionising radiation from, or contamination by, radioactivity from any nuclear fuel or nuclear waste, or from burning nuclear fuel.
- The radioactive, toxic, explosive or other dangerous properties of any nuclear installation, reactor or other nuclear equipment, or any nuclear part of them.
- Any weapon or device using atomic or nuclear fission, fusion or similar reaction, or radioactive force or material.
- The radioactive, toxic, explosive or other dangerous properties of any radioactive material.

18. Patent

Infringement of any patent without the patent holders permission.

19. Product liability or professional indemnity

Goods , products or software you have sold, supplied, manufactured, constructed, installed, maintained, repaired, altered or treated, or any inadequate or incorrect advice or services you have provided.

20. Sanction limitation

We will not make any payment under the policy if doing so would expose us to any sanction, prohibition or restriction under any United Nations resolutions, or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America

21. Telecommunications systems

Section 9 – Cyber

Atmospheric or environmental conditions causing temporary interference with any satellite signal.

22. Terrorism

- Any **act of terrorism**, regardless of any other cause or event contributing to the **damage**, loss of **business income** or other loss.
- Civil commotion in Northern Ireland.
- Any action taken to control, prevent, suppress or in any way deal with any **act of terrorism**.

Computer virus, hacking or denial of service attack will not be regarded as an **act of terrorism**.

23. Time Excess

Loss of **business income** arising during the **time excess**.

24. Trading risk

Your commercial decision to stop trading, or the decision of a **service provider**, customer or supplier of **yours** to stop or reduce trade with you or restrict services.

25. War

War, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or uprising.

This general exclusion does not apply to any **damage**, loss of **business income** or other loss resulting from, or caused by, weapons of war which were not discovered before the start of the **period of insurance**, as long as there is no war in the country your **hardware** is in during the **period of insurance**.

26. Wear and tear

Losses due to:

- wear and tear, gradual deterioration or rust;
- scratching or chipping of painted or polished surfaces;
- erosion or corrosion; or
- gradual reduction in performance.

However, we will pay for loss resulting from the causes above which we would otherwise have paid under this Section.

27. Your insolvency or bankruptcy

Your insolvency or bankruptcy.

How We use Your information

We are the controller of any personal information (for example, names, addresses, telephone numbers, job titles or dates of birth) You provide to Us, or which is processed in connection with Your Policy. We collect and process information about You that We consider to be necessary in order to make decisions about the cover We provide to You, any claims You make, or to detect and prevent fraud. We also may record incoming and outgoing telephone calls with You for training, monitoring and quality control purposes.

We may share Your information with, and obtain information about You from, companies within the Munich Re Group, other insurers, brokers, loss adjusters, credit reference agencies, fraud prevention agencies or other third parties who provide services on Our behalf.

For further details on how Your information is used and Your rights in relation to Your information, please see Our Privacy statement at <https://www.munichre.com/HSBEIL>.

Section 10 – General Definitions

These Definitions apply to all Sections of the Policy unless stated otherwise. Other Definitions are contained within the Sections of the Policy where they apply.

We/ Insurer/ Our/ Us

Great Lakes Insurance SE, UK Branch (not applicable to Sections 6, 7, 8 and 9)
DAS Legal Expenses Insurance Company Limited (Section 6 only)
Probitas 1492 Services Limited (Section 7 only)
HSB Engineering Insurance Limited (Sections 8 & 9 only)

Business

The Business stated in the Schedule, including in respect of Sections 4 and 5:

- a) the provision and management of canteen sports social or welfare organisations for the benefit of Employees and fire security first aid medical and ambulance services maintained for the protection of Your Premises and Employees
- b) private work undertaken with Your prior consent by Employees for any of Your directors or senior officials;
- c) the ownership maintenance and repair of Your Premises
- d) participation in exhibitions.

Consequential Loss

Any further loss of any kind that may arise due to, or as a result of, loss or destruction of or any damage to any property whatsoever.

Employee (not applicable to Section 6 – Legal Expenses)

- a) any person under a contract of service or apprenticeship with You;
 - b) any person who is hired to or borrowed by You;
 - c) any person engaged in connection with a work experience or training scheme;
 - d) any labour master or person supplied by him;
 - e) any person engaged by labour only sub-contractors;
 - f) any self employed person working on a labour only basis under Your control or supervision; or
 - g) any voluntary helper;
- while working for You in connection with the Business.

Insured/ Policyholder/ You/ Your

The person(s) or company named in the Schedule.

Period of Insurance

The period shown in the Schedule and any subsequent period for which We accept Your premium for renewal of this Policy.

Policy

The Policy and Schedule and any endorsements attached or issued.

Premises

The Premises as stated in the Schedule.

Proposal

The signed Proposal or “Statement of Fact” form (however described) and any additional information submitted to the Insurer by You or on Your behalf.

Terrorism

- a) In Great Britain and Northern Ireland: 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.
- b) In so far that the insurance by this Policy is extended to include any situation elsewhere than in Great Britain and Northern Ireland: any act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government or any international governmental organisation and/or to put the public, or any section of the public in fear.

Section 11 – General Conditions

These General Conditions apply to all Sections of the Policy unless stated otherwise. Other Conditions are contained within the Sections of the Policy where they apply.

11.1 Alteration in Risk

This Policy shall be avoided if after the commencement of this insurance:

- a) the Business is wound up or carried on by a liquidator or receiver or permanently discontinued; or
- b) Your interest ceases other than by death; or
- c) any alteration is made either in the Business or in the Premises or Property Insured therein or any other circumstances whereby the risk is increased unless otherwise stated

unless such alteration is notified to and accepted by the Insurer in writing and, in respect of General Condition 11.1 c) above, the Insurer agrees not to avoid the Policy provided that:

- i) such alteration is not of such a nature that if the alteration had occurred prior to the commencement of this Policy the Insurer would not have entered into this Policy on any terms;
- ii) You shall pay an appropriate additional premium if required by the Insurer with effect from the date of the alteration;
- iii) the Insurer shall be entitled to impose appropriate additional terms, other than premium, with effect from the date of the alteration.

11.2 Arbitration

If any difference shall arise as to an amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to a sole arbitrator to be appointed in accordance with the provisions of the Arbitration Act 1996. An award made by the arbitrator shall be a condition precedent to any right of legal action against the Insurer.

11.3 Cancellation

The Insurer shall not be bound to accept any renewal of this Policy and may at any time give You thirty days notice to cancel this Policy. This termination shall be without prejudice to any rights or claims of the Insurer or You prior to the expiry of such notice.

You can cancel this insurance at any time by writing to Your broker and returning Your certificate of Employers' Liability insurance (if one has been issued to You), although any later than 14 days after the commencement date of this insurance any return premium due to You will depend on how long this insurance has been in force and whether You have made a claim or incidents have occurred that might give rise to a claim. The Insurer reserves the right on refunding any premium paid if You have made a claim under this Policy.

11.4 Claims – The Insurer's Rights

The Insurer:

- a) on the happening of any loss, destruction or damage in respect of which a claim is made, may, without incurring any liability or diminishing any of the Insurer's rights under this Policy, enter, take or keep possession of, the Premises where such loss destruction or damage has occurred and take possession of, or require to be delivered to the Insurer, any Property Insured and deal with such property for all reasonable purposes and in any reasonable manner.
No claim under Section 1 shall be payable unless the terms of this condition have been complied with.
No property may be abandoned to the Insurer whether taken possession of by the Insurer or not.
- b) shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

11.5 Conditions Precedent to Liability

Every condition stated as a condition precedent that applies to this Policy (whether a Policy or Section Condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Policy. Failure to comply with any such condition shall be a bar to any claim.

11.6 Contracts (Rights of Third Parties) Act

The parties to this contract do not intend that any clause or term of this contract should be enforceable by virtue of the Contracts (Right of Third Parties) Act 1999 by any person who is not a party to this contract.

11.7 Excess

This Policy does not cover the Excess being the first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

11.8 Financial or Trade Sanctions

The Insurer shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would implicate the Insurer in the breach of any sanctions, prohibition or restriction under United

Section 11 – General Conditions

Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

11.9 Fraud

If any:

- a) claim made under this Policy by You or anyone acting on Your behalf is fraudulent or intentionally exaggerated in any way;
- b) false declaration or statement is made;
- c) fraudulent device is used to support the claim;
- d) loss, Injury, destruction or Damage is caused by Your wilful act or with Your connivance;

then the Insurer will:

- i) have no liability to pay any part of or the whole of the fraudulent claim;
- ii) be entitled to refuse all claims arising after the fraudulent action;
- iii) remain liable for legitimate claims before the fraudulent action;
- iv) be entitled to terminate the Policy from the date of the fraudulent action whether or not the Policy had expired before the discovery of the fraud.

11.10 Insurable Interest

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

11.11 Interpretation

In this Policy;

- a) reference to any statute or statutory provision and orders or regulation thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;
- b) reference to any statutory or other body shall include the successor to that body;
- c) words importing the singular include the plural and vice versa and references to persons includes bodies corporate or unincorporated. Words importing any gender shall include all genders;
- d) if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall remain in full force and effect;
- e) the headings are for reference only and shall not be considered when determining the meaning of this Policy.

11.12 Misrepresentation and Misdescription - Policy Voidable

This Policy may be voidable in the event You have not made a fair presentation of the risks which are relevant to Your Business as set out under the Your obligations section of this Policy, that is to say that there has been a material misrepresentation, misdescription or non-disclosure in such presentation.

However, the Insurer agrees not to void the Policy provided that:

- a) such misrepresentation, misdescription or non-disclosure has not been deliberate or reckless;
- b) such misrepresentation, misdescription or non-disclosure has not been of such nature that, if the material particular had been fairly presented, fairly described or had been disclosed, the Insurer would not have entered into the Policy on any terms;
- c) the Insurer shall be entitled to impose appropriate additional terms (other than premium) with effect from inception, or if applicable, the date of the alteration.

If at the time of Damage, claim or loss the premium charged to You would have been higher but for the misrepresentation, misdescription or non-disclosure in any material particular, the liability of the Insurer for any loss amount payable shall be limited to the proportion that the premium charged bears to the higher premium.

11.13 Observance of Terms

It is a condition precedent to any liability on the part of the Insurer under this Policy that the terms hereof so far as they relate to anything to be done or complied with shall be duly and faithfully observed except in so far as it is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees.

11.14 Other Insurances and Average

Applicable to Section 1 – Property Damage and Section 2 – Loss of Rental Income

If at the time of any Damage there is any other insurance effected by You or on Your behalf covering any of the Property damaged the liability of the Insurer under this Policy shall be limited to its rateable proportion of such Damage.

If any other insurance shall be subject to any Average (under-insurance) condition this Section if not already subject to any condition of Average shall be subject to Average in like manner.

Section 11 – General Conditions

If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably the liability of the Insurer hereunder shall be limited to that proportion of the Damage as the Sum Insured by this Section bears to the value of the Property.

Applicable to Section 4 – Employers' Liability and Section 5 – Property Owners' Public and Products Liability

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

11.15 Reasonable Precautions

You shall:

- a) take all reasonable precautions to prevent occurrences which may give rise to loss destruction or damage;
- b) take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority;
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require.

11.16 Subjectivity

- a) If the Policy is issued with subjectivity it will clearly state in the Schedule if the cover provided by the Policy is subject to You:
 - i) providing the Insurer with any additional information requested by the required date;
 - ii) completing any actions agreed between You and the Insurer by the required dates; or
 - iii) allowing the Insurer to complete any actions agreed between You and the Insurer.
- b) If required by the Insurer You must allow access to the Premises and the Business to carry out surveys within 60 days of the inception or renewal date, unless agreed otherwise in writing.

If cover under this Policy is subject to You completing risk improvements and complying with the risk improvements for the currency of the Policy then the risk improvements identified must be completed within the individual timescales specified and complied with for the currency of the Policy.

Following the above actions the Insurer reserves the right to:

- a) modify the premium;
- b) change the terms and conditions of the Policy;
- c) require You to make alterations to the Premises insured by required dates;
- d) cancel the Policy in accordance with General Condition 11.3;
- e) leave the Policy terms, conditions and premium unaltered.

You will be advised of the Insurer's decision and any required actions and dates. The effective date of any changes will apply unless and until the Insurer agrees otherwise in writing.

If You disagree with the Insurer's decision You must make Your comments in writing and the Insurer will attempt to negotiate a resolution with You. If this is unsuccessful You have the right to cancel the Policy and, subject to no claims, a proportionate part of the premium will be refunded to You.

The above conditions do not affect the Insurer's right to void the Policy in accordance with General Condition 11.12 if information material to its acceptance of Your Proposal is discovered.

11.17 Subrogation

Any claimant under this Policy shall, at the request and at the expense of the Insurer, take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by the Insurer. The Insurer shall be entitled to take over and conduct in Your name the defence or settlement of any claim or to prosecute in Your name, at its own expense and for its own benefit, any claim for indemnity or damages or otherwise.

Section 12 – General Exclusions

These Exclusions apply to all Sections of the Policy unless stated otherwise. Other Exclusions are contained within the Sections of the Policy where they apply.

12.1 *Applicable to Section 1 – Property Damage and Section 2 – Loss of Rental Income*

Sonic Bangs

The insurance by this Policy does not cover Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

12.2 *Applicable to all Sections other than Section 4 – Employers' Liability*

a) War & Similar Risks

The insurance by this Policy does not cover:

Damage or Business Interruption or legal liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation, or nationalisation, or requisition, or destruction of or damage to property by or under the order of any government or public or local authority.

b) Nuclear Risks & Radioactive Contamination Risks

This insurance does not cover;

- a) loss destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any Consequential Loss; or
- b) any legal liability of whatsoever nature;

directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- e) any chemical, biological, bio-chemical, or electromagnetic weapon.

c) Date Recognition

The insurance by this Policy does not apply to:

Any claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000:

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

but this shall not exclude subsequent Damage in respect of Section 1 (Property Damage) or subsequent interruption with the Business in respect of Section 2 (Loss of Rental Income) not otherwise excluded which itself results from fire, lightning, explosion, theft, aircraft or other aerial devices or articles dropped from aircraft or other aerial devices, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal, provided such Peril is insured by the Section.

Section 12 – General Exclusions

12.3 *Applicable to all Sections other than Section 3 – Terrorism and Section 4 – Employers’ Liability*

Terrorism

- a) This insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- b) This insurance also excludes loss, damage, cost or expense of whatsoever nature in Northern Ireland directly or indirectly resulting from or in connection with civil commotion.
- c) This insurance also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to a) or b) above.

If the Insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.

In the event that any portion of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

12.4 *Applicable to all Sections other than Section 4 – Employers’ Liability and Section 5 – Property Owners’ Public and Products Liability*

Contamination and Pollution Clause

- a) The insurance by this Policy does not cover any loss or damage due to contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of the use of objects because of hazards to health.
- b) This exclusion does not apply if such loss or damage arises out of one or more of the following Perils:
Fire, Lightning, Explosion, Impact of Aircraft
Vehicle Impact, Sonic Boom
Accidental Escape of Water from any tank apparatus or pipe
Riot, Civil Commotion, Malicious Damage
Storm, Hail
Flood, Inundation
Earthquake
Landslide, Subsidence
Pressure of Snow, Avalanche
Volcanic Eruption
- c) If a Peril not excluded from this Policy arises directly from pollution and/or contamination any loss or damage arising directly from that Peril shall be covered.
- d) All other terms and conditions of this Policy shall be unaltered and especially the exclusions shall not be superseded by this clause.

12.5 *Applicable to all Sections*

Electronic Data

1) Electronic Data Exclusion

- a) The insurance by this Policy does not cover loss, damage, destruction, distortion, erasure, corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Computer Virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to Trojan horses, worms and logic bombs.

Section 12 – General Exclusions

- b) However, in the event that a Peril listed below results from any matters described in paragraph a) above, this insurance, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy Period of Insurance to the Property Insured by this Policy directly caused by such listed Peril.

Listed Perils:

Fire

Explosion

2) Electronic Data Processing Media Valuation

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the Electronic Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such Electronic Data. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this insurance does not insure any amount pertaining to the value of such Electronic Data to the Insured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

Section 13 – Claims Procedure

To make a claim under this Policy please telephone the appropriate number listed on the Important Helplines Section of this Policy.

Your claims will be dealt with by:

Sections 1, 2, 3, 4, & 5: Davies Managed Systems Limited, PO Box 2801, Stoke-on-Trent, Staffordshire, ST4 9DN.

If Your claim is under **Section 6 – Legal Expenses** and You would prefer to report Your claim in writing please send it to:

The Claims Department,
DAS Legal Expenses Insurance Company Limited,
DAS House,
Quay Side,
Temple Back,
Bristol, BS1 6NH.

Alternatively You can email Your Legal Expenses claim to DAS at newclaims@das.co.uk.

Section 7 – Directors and Officers Liability

Please notify Your claims in the first instance to the insurance broker who arranged this policy for You.

Alternatively please contact Giant Risk Solutions Limited on the following number: 0845 309 6570

Section 8 – Equipment Breakdown and Section 9 – Cyber

If Your claim is under Section 8 – Equipment Breakdown, or Section 9 – Cyber, it will be administered by HSB Engineering Insurance Ltd, email new.loss@hsbeil.com. Alternatively to report Your claim in writing please send it to:

Claims Department,
HSB Engineering Insurance Limited,
Chancery Place,
50 Brown Street,
Manchester,
M2 2JT

13.1 Your Obligations

On learning of any circumstances likely to give rise to a claim or on receiving verbal or written notice of any claim You must:

- a) tell the Insurer as soon as reasonably possible and give the Insurer all the assistance they may reasonably require;
- b) tell the Police as soon as reasonably possible if the Damage is due to any actual or suspected criminal act;
- c) send to the Insurer immediately any intimation of a claim from a third party, writ, summons or other legal proceedings issued against You;
- d) supply, at Your own expense, full details of the claim in writing within 30 days;
- e) provide all the help and assistance and co-operation required by the Insurer in connection with any claim to include supplying, as soon as reasonably practicable, any supporting evidence and information that they require;
- f) take action following circumstances likely to give rise to a claim to:
 - a) minimise the Damage;
 - b) prevent further Injury or Damage; and
 - c) avoid interruption with the Business.

13.2 Negotiations

You must not admit, deny, negotiate or settle any claim without the Insurer's written consent.

The Insurer will not pay any claim if its position is prejudiced for any reason as a result of Your failure to comply with 13.1 or 13.2 above.

Section 13 – Claims Procedure

13.3 The Insurer's Rights

- a) The Insurer has the right to take over the defence or settlement of a claim against You by another person.
- b) The Insurer has the right to the salvage of any Property Insured.
- c) The Insurer has the right to enter the building where the Damage has happened, and to take and keep any of the Property Insured, and to deal with salvage in a reasonable manner.

Section 14 – Enquiries and Complaints Procedure

Our aim is to provide all Our customers with a first class standard of service. However, there may be occasions when You feel this objective has not been achieved. If You have a complaint about Your Policy or the handling of a claim, the details below set out some of the key steps that You can take to address your concerns.

Please quote Your Policy number in all correspondence so that Your concerns may be dealt with speedily.

Where do I start?

If Your complaint is about the way in which the Policy was sold to You or whether it meets Your requirements, You should, in the first instance, contact:

The Managing Director, Giant Risk Solutions Limited, 1st Floor, 41 St Vincent Street, Glasgow G1 2ER.

If Your complaint relates to **Section 6 – Legal Expenses** You should contact:

Customer Relations Department
DAS Legal Expenses Insurance Company Limited
DAS House,
Quay Side,
Temple Back,
Bristol,
BS1 6NH
Phone 0344 893 9013
E-mail: customerrelations@das.co.uk

If Your complaint relates to **Section 7 – Directors and Officers Liability** You should contact:

The Complaints team at Lloyd's.

Their address is:

*Complaints
Lloyd's
One Lime Street
London
EC3M 7HA*

Tel No: 020 7327 5693
Fax No: 020 7327 5225
E-mail: Complaints@Lloyds.com
Website: www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in the leaflet "Your Complaint – How We Can Help" available at www.lloyds.com/complaints and are also available from the above address.

If Your complaint relates to **Section 8 – Equipment Breakdown or Section 9 – Cyber** You should contact:

The Customers Relations Leader
HSB Engineering Insurance Ltd
Chancery Place,
50 Brown Street,
Manchester,
M2 2JT

Phone +44 (0) 330 100 3433
Email: complaints@hsbeil.com

If Your complaint relates to **Sections 1-5** and Your complaint is about a claim, You should refer the matter to Davies Managed Systems Limited. Their contact details are provided below.

Customer Relations
Davies Managed Systems Limited
PO Box 2801
Stoke-on-Trent
ST4 9DN

Section 14 – Enquiries and Complaints Procedure

Telephone: 0344 856 2015

Alternatively You can ask Giant Risk Solutions Limited to refer the matter on for You.

If Your complaint is not able to be resolved satisfactorily by close of business on the third working day following receipt, Your complaint will be referred to the Complaints Manager for Great Lakes Insurance SE, UK Branch at ERGO UK Specialty Limited, who will send You an acknowledgement letter. If You don't receive any acknowledgement letter, or at any time if You wish to do so, You may contact the Complaints Manager yourself by using any of the below contact details:

Complaints Manager
ERGO UK Specialty Limited for Great Lakes Insurance SE, UK Branch
Munich Re Group Offices
Plantation Place
30 Fenchurch Street
London
EC3M 3AJ

Telephone: 020 3003 7130

E-mail: complaints@ergo-commercial.co.uk

The Complaints Manager will investigate Your complaint and will provide You with a written response within eight weeks of Your initial complaint. This will either be a final response or a letter informing You that We need more time for Our investigation.

If You remain unhappy

If We (or where applicable Giant Risk Solutions Limited) have not resolved Your complaint at the end of eight weeks, or if after receiving Our final response You remain dissatisfied, You may be able to refer Your complaint to the Financial Ombudsman Service (contact details below). You will have six months from the date of the final response to make this referral.

Your rights as a customer to take legal action are not affected by the existence or use of the complaints procedure mentioned above. However the Financial Ombudsman Service may not adjudicate on a case where court proceedings are actively in progress.

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR
Telephone: 0800 023 4567

Further information is available from them and You may refer a complaint to them online at www.financial-ombudsman.org.uk

The Ombudsman will review complaints from eligible complainants. An eligible complainant is defined as:

1. a private individual;
2. a business, which has a group annual turnover of less than €2m (approx. £1.6m) and fewer than 10 staff at the time the complainant refers the complaint to the respondent;
3. a charity which has an annual income of less than £1m at the time the complainant refers the complaint to the respondent; or
4. a trustee of a trust which has a net asset value of less than £1m at the time the complainant refers the complaint to the respondent.

Financial Services Register

The Financial Services Register can be checked by visiting the Financial Conduct Authority website on www.fca.org.uk or by calling 0800 111 6768

Financial Services Compensation Scheme (FSCS)

Great Lakes Insurance SE, UK Branch, Probitas 1492 Services Limited, and DAS Legal Expenses Insurance Company Ltd are all covered by the Financial Services Compensation Scheme (FSCS). This means that You may be entitled to compensation from the scheme in the unlikely event that they cannot meet their obligations. Further details can be obtained from FSCS, PO Box 300, Mitcheldean, GL17 1DY Tel: 0800 678 1100 or www.fscs.org.uk