

Arch Insurance

Property Owners Policy Wording



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Making a Claim

To report or make a claim follow the instructions provided in the Claims Conditions under General Conditions.

TO MAKE A LEGAL EXPENSES CLAIM

This section is provided by ARAG Legal Expenses Insurance Company Limited (ARAG).

Important information: Please do not ask for help from a lawyer, accountant or anyone else before ARAG have agreed that You should do so. If You do, they will not pay the costs involved even if they accept the claim.

Report your claim: Call ARAG on **0370 755 3111** available 24 hours a day, 7 days a week. Give Your ARAG policy number **TS5/5124778** and You'll be asked about Your claim.

ARAG will assess the claim to ensure it is covered by Your policy, and, if it is, will send it to a lawyer who specialises in that type of claim. The lawyer will assess Your case and tell You how likely it is that You will win. If You are more likely than not to win, the lawyer will manage the case from start to finish.

Please note this is an overview of the claims process for guidance purposes only. ARAG's claims handlers can answer any questions You may have when they receive Your claim.

Alternatively You can visit claims.araginsurance.co.uk.

ALL OTHER CLAIMS

To register a claim under any other Section You should email full details of the claim including your Arch policy number to

archonlineclaims@archinsurance.com

or call

0345 258 3881.

Introduction

Thank you for choosing Arch Insurance

Your Policy

The Policy is a legal contract and has been prepared according to Your instructions. The Policy comprises this Policy Wording, the Statement of Fact, the Schedule and any amendments or endorsements applicable.

Please read Your Policy documents carefully to ensure that:

1. all details are accurate;
2. the Policy meets Your needs;
3. You are familiar with Your obligations under the Policy; and
4. You understand the rights and remedies available to Us if You do not comply.

You should contact Your insurance agent/broker immediately if:

1. You have questions about any aspect of the insurance;
2. You require a printed copy of Your Policy documents;
3. any information recorded in the Policy documents is inaccurate;
4. any change takes place which might affect the Policy;
5. You are unable to comply with any term of the Policy; or
6. the Policy does not meet Your needs.

Policy terms and conditions

It is important that You are familiar with the terms of the Policy and what is required of You. In the event of Your non-compliance with any obligation, We are entitled by law and the Policy to exercise certain remedies. Depending on the particular term with which You have failed to comply, these remedies may include:

1. avoiding the Policy or any relevant variations or renewals;
2. terminating the Policy or applying different terms; and/or
3. refusing to pay, or reducing the amount to be paid on, a claim.

Further details as to Your obligations, and Our remedies for Your non-compliance, can be found within the Your Obligations Section, the General Conditions Section and the Conditions within each of the individual Sections of the Policy.

Steps to be taken if You cannot comply

If You are unable to comply with any term of the Policy, You should contact Us as soon as reasonably possible, through Your insurance agent/broker. All terms of the Policy shall remain effective unless You receive written confirmation of a variation from Us through Your insurance agent/broker.

Changes and cancellation

If You provide new information or request a change to the Policy, we will advise of any alterations which we require to terms, conditions and premium. No changes will take effect until we confirm them in writing.

If You wish to cancel the Policy, please refer to the General Conditions Section.

Our Promise to You

Our goal is to provide excellent service to all our customers. We are dedicated to putting Our customer at the heart of everything that We do. Our products and services are designed to meet the needs and objectives of those customers operating as professional property owners within Great Britain, Channel Islands, Northern Ireland and the Isle of Man.

Our Policy documents and communications are designed to support and enable Our customers to make informed decisions about Our financial products and services. This means providing information You need, at the right time, and presented in a way You can understand.

If You are unhappy with the service that You receive, please let us know. We are committed to treating Our customers fairly and we want to continually improve Our services and products.

We take complaints seriously and aim to resolve our customers' problems promptly. Information about how to complain is shown in the How to Complain Section of the Policy.

Employers Liability Certificates

We will provide You with a Certificate of Employers Liability Insurance (if that Section is operative) which identifies the companies insured by the Policy.

You must display an original copy of the Certificate at each of Your Business Premises where Your Employees can easily see it or make an electronic copy available to Your Employees.

You should also retain the Certificate even after the Policy expires. It will help to identify the existence of the Policy in case it becomes necessary in future years.

Do You need some additional support?

We are committed to ensuring that Our customers receive additional support and guidance when they need it. We understand that vulnerability can affect anyone, and that it may be temporary or permanent. We can provide support by adjusting Our communication methods and processes if You need Us to. We also have dedicated support resources that can help You. If there are specific circumstances or requirements that You think we should be aware of, such as health issues, financial hardship, bereavement, or anything else, please contact Your insurance agent/broker or contact Us. You can find additional information here: [Vulnerable Customers - Arch Insurance](#).

Insurers

The Policy is in sections which are underwritten separately by the companies indicated below (the “Insurers”) in consideration of payment of the premium by You, as set out in the Schedule. No company is jointly liable for liability of any other that underwrites this Policy.

Details of how Your information is used and Your rights in relation to Your information can be found in the Privacy Notices Section of this Policy.

Insurers

In consideration of payment of the premium by You, the Insurers will provide, for the Period of Insurance, the insurance described in this Policy as set out in the Schedule.

<p>Legal Expenses Section</p>	<p>ARAG Legal Expenses Insurance Company Limited (ARAG)</p> <ul style="list-style-type: none"> ▪ Registered Office: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. ▪ Registered in England and Wales, Company number: 103274 ▪ Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. ▪ FCA register number: 202106. ▪ Website: www.arag.co.uk
<p>All other Sections (not including the Engineering Inspection Section)</p>	<p>Arch Insurance (UK) Limited (Arch)</p> <ul style="list-style-type: none"> ▪ Registered Office: 4th Floor, 10 Fenchurch Avenue, London EC3M 5BN. ▪ Registered in England and Wales, Company number: 4977362. ▪ Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. ▪ FCA register number: 229887. ▪ Website: https://insurance.archgroup.com/business/international/uk/

You can check this information on the Financial Conduct Authority register by visiting the FCA’s website www.fca.org.uk/register or by contacting the Financial Conduct Authority on **0800 111 6768**. Information relating to the Prudential Regulation Authority can be found at www.bankofengland.co.uk/pru.

General Definitions

The following General Definitions apply to the whole Policy. Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Policy, unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears, except in headings and titles. If there is a conflict between a General Definition and a definition applicable to a specific Section, the definition in the Section will apply.

Asbestos

Asbestos, asbestos fibres or particles or derivatives of asbestos, including products or materials containing asbestos, asbestos fibres or particles or derivatives of asbestos.

Buildings

Structures at the Premises comprising of the following items:

1. Entirely Self-Contained Buildings, outbuildings, extensions, annexes, gangways, canopies, temporary buildings or conveniences which:
 - a. are built of brick, stone, concrete, metal or other non-combustible materials; and
 - b. are roofed with slates, tiles, concrete, asphalt, metal or sheets or slabs composed entirely of incombustible mineral ingredients

unless You have notified Us otherwise and the information is shown in the Schedule and/or Your Statement of Fact;

2. fixed boilers and associated heating apparatus including fuel tanks and associated pipework, fixed photovoltaic and solar panels, ducting, cables, wires, aerials, masts, satellite dishes, substations and associated control gear and accessories;
3. tenant improvements for which You are responsible;
4. glass and sanitary ware;
5. landlords' fixtures and fittings;
6. underground pipes, drains, sewers, cess pits, septic tanks and cables;
7. fixed signs, lamp posts, electric vehicle charging points (excluding detachable accessories) and street furniture;
8. walls (not otherwise forming part of the structure of a building), gates, fences, landscaping planters, ornamental features, statues, pools, yards, leisure/play areas, car parks, roads, bridges, pavements, walkways, terraces, drives, forecourts and similar surfaces all constructed of solid materials; and/or
9. fixed closed circuit television equipment.

For the purpose of this definition only, Entirely Self-Contained Building shall mean a structure designed to maintain a high level of fire safety within its own boundaries, without reliance on adjoining buildings. Each building or part thereof is independently compartmentalised using fire-resisting materials.

Business

The business specified in the Schedule, including maintenance and repair (but not redevelopment) of Your Premises.

Caused By

Factually and legally resulting from the specified event, incident or state of affairs in that:

1. the resulting event, incident, state of affairs, injury, damage or loss would not have occurred but for the specified event, incident or state of affairs; and
2. the specified event, incident or state of affairs; was a real, efficient and direct cause of the resulting event, incident, state of affairs, injury, damage or loss.

Connected With

Relating to the specified event, incident or state of affairs, in that:

1. the specified event, incident or state of affairs was a direct or indirect cause of the related event, incident, state of affairs, injury, damage or loss;
2. the specified event, incident or state of affairs wholly or partly contributed to the related event incident, state of affairs, injury, damage or loss; and/or
3. the specified event, incident or state of affairs increased the risk of the related event, incident, state of affairs, injury, damage or loss occurring.

Contents

Property within Buildings belonging to You or for which You are responsible, as stated in the Schedule including:

1. rare books or works of art for an amount not exceeding £1,000 any one article; and
2. personal effects (other than motor vehicles) belonging to the partners, directors, and Employees up to an amount not exceeding £500 for any one person

but excluding Property more specifically insured.

Damage/Damaged

A sudden and accidental loss or destruction of or physical change to Property, adversely affecting its use or value and requiring the Property to be replaced, reinstated or repaired. Not including changes:

1. which may be addressed by routine cleaning, sanitisation, servicing or maintenance; or
2. comprising a defect inherent in Property.

Data Storage Materials

Materials or devices used for the storage or representation of Electronic Data.

Including, but not limited to, disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices.

Electronic Data

Facts, concepts or information converted to a form usable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment including programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Employee

A person working for You in connection with the Business and whilst under Your control and supervision. Including any:

1. person under a contract of service or apprenticeship with You;
2. labour master or labour-only subcontractor or person supplied by any of them;
3. self-employed person;
4. person under a work experience scheme;
5. person hired or borrowed by You from another employer;
6. driver or operator of hired-in plant;
7. non-executive director;
8. voluntary worker;
9. person working under a community service order; or
10. outworker or home worker.

Epidemic Disease

A widespread outbreak of:

1. an illness or disease;
2. specific health-related behaviour; and/or
3. other health-related event

with a frequency which clearly exceeds normal expectancy.

Excess

The first amount of each claim as shown in the Schedule or any applicable endorsement for which You shall be responsible.

Government Action

Martial law, confiscation, nationalisation, requisition or destruction of Property by or under the order of a government or public or local authority.

An action taken in controlling, preventing, suppressing or in any way relating to War.

Injury

Accidental human bodily injury comprising death, illness, disease or medically recognised psychiatric condition including nervous shock.

Loss of Data

Physical or electronic or other loss or destruction or alteration or loss of use, whether permanent or temporary, of or damage to Electronic Data, of whatsoever nature, in whole or in part.

Including, but not limited to, loss of data Caused By loss or damage to computers and electronic equipment or Data Storage Materials.

Money

A generally accepted means of payment or exchange, excluding digital money and cryptocurrency.

General Definitions

Pandemic Disease

An outbreak of Epidemic Disease in more than one community or region.

Period of Insurance

The period specified in the Schedule.

Policy

The following documents which together comprise the contract of insurance:

1. this Policy wording;
2. the Statement of Fact;
3. the Schedule; and
4. any amendments, addenda and endorsements.

Pollution

Seepage, pollution or contamination of buildings or other structures or of water, land or the atmosphere.

Loss, Damage or Injury Caused By such seepage, pollution or contamination.

Premises

The plot of land comprising the Risk Address specified in the Schedule and/or the Statement of Fact used by You for the purpose of the Business.

Property

Material property.

Property Insured

Any of the following items:

1. Buildings; and
2. Contents

which are specified in the Schedule and which belong to You or for which You are responsible.

Rent

Amounts paid by You to the Premises owner or payable to You from a Tenant as rent and related service charges in the course of the Business at the Premises.

Risk Requirements

Requirements imposed on You as detailed in a Survey Risk Improvement Report issued following a survey of Your Premises and/or contract sites.

Sabotage

A subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence a government and/or to put the public in fear for such purposes.

Silica

Silicon dioxide, silica particles, silica dust, crystalline silica, non-crystalline (amorphous) silica, quartz and silica in any other form including substances containing silica either alone or when combined with other substances.

Schedule

The schedule in force and forming part of the Policy.

Statement of Fact

This is a record of the information that You provided to Your insurance agent/broker upon which Your insurance is based.

Subjectivity

Any requirement subject to which the Policy has been issued or renewed under General Condition: Subjectivity.

Sum Insured

The Sum Insured specified for each item in the Schedule.

Tenant

A person who occupies the Premises under a written lease agreement with You.

Territorial Limits

The United Kingdom, Channel Islands and the Isle of Man other than offshore.

Terrorism

Any act of any person or organisation involving:

1. the causing, occasioning or threatening of harm of whatever nature and by whatever means; and/or
2. putting the public or any section of the public in fear

in circumstances in which it is reasonable to conclude that the purpose of the person or organisation is wholly or partly of a political, religious, ideological or similar nature.

Transit

Movement by road, rail or inland waterway from one address to another within the Territorial Limits including loading, unloading and temporary storage.

Unoccupied

A Building or part of a Building which is:

1. not physically occupied or in use by:
 - a. You for the purposes of the Business; or
 - b. Your tenant for the purposes of their business or residence;
2. undergoing or awaiting refurbishment, redevelopment, renovation or demolition.

For the purposes of this Definition:

1. periodic visits to comply with the terms of an inspection condition; and/or
2. visits by contractors or any agent acting on behalf of You or Your tenant

shall not be regarded as 'physically occupied or in use' and the Building or part of the Building shall be deemed Unoccupied.

War

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution or military or usurped power.

We, Us, Our

The relevant Insurer of the particular Section as set out in the Insurers Section of this Policy.

You, Your

The persons or entities named in the Schedule as the Policyholder.

Interpretation

In this Policy

1. Reference to a statute, order or regulation includes reference to that instrument as revised or replaced.
2. Reference to an entity created by statute, order or regulation includes a successor to that entity.
3. Words importing the singular include the plural and vice versa.
4. Reference to persons includes corporate and unincorporated entities.
5. Reference to a gender includes all genders.
6. If a term, condition, exclusion or endorsement or part of the Policy is invalid or unenforceable, the remainder of the Policy will remain in full force and effect.
7. Headings are for reference only and must be disregarded when interpreting the Policy.

Your Obligations

General Policy Obligations

The obligations listed below apply to all sections of the Policy and must be complied with throughout the Period of Insurance. If You fail to comply in any respect, We shall not pay a claim which is Connected With Your non-compliance

Unoccupancy

If a Building or a part of a Building becomes Unoccupied, You must notify Us immediately in accordance with the Change of Risk Condition and, after an Unoccupied period of 30 consecutive days or more, You must:

1. ensure that gas, water and electricity services are switched off at the mains (unless electricity is needed to maintain a fire or intruder alarm system in operation);
2. remove accumulations of combustible materials, such as trade waste;
3. remove combustible materials which continue to accumulate, such as junk mail, once a week;
4. secure the Unoccupied Building or part of the Building against unlawful entry by locking all gates, fences and other accessways;
5. secure Unoccupied Building or part of the Building against unlawful entry by closing and locking all doors and windows and putting all security protections in place; and
6. carry out and document a weekly, thorough inspection of the Unoccupied Building or part of the Building. You must evaluate the physical condition and state of security of:
 - a. Buildings (both internally and externally); and
 - b. gates, fences and other accessways.

General Exclusions

The following General Exclusions apply to the whole Policy. They should be read in conjunction with any Exclusions which apply to individual Sections of the Policy.

Unless expressly provided to the contrary, We shall not pay for loss Connected With or comprising any of the following:

Asbestos

Actual or suspected exposure to or inhalation of Asbestos.

Repair, removal, replacement, recall, rectification, reinstatement or management of Property (whether or not required by statute) Connected With the presence or suspected presence of Asbestos.

Cyber

Programming or operator error by You or any person.

Failure of external network.

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

Unauthorised access to computer or other equipment or component or system or item which processes, stores, transmits or retrieves data.

Failure of computer data processing equipment or media, microchip, integrated circuit or similar device or other equipment or system for processing, storing or receiving data or computer software due to an inability to recognise, capture, save, retain or to process correctly a calendar date.

Hoax or threat of any of the above.

Epidemic or Pandemic Disease (Not applicable to the Liability or Terrorism Sections)

Epidemic Disease or Pandemic Disease or their actual or suspected transmission or the fear or threat (whether actual or perceived) of an Epidemic or Pandemic Disease.

Excess

The Excess specified for each item in the Schedule.

Fines and Penalties

Penalties, fines, liquidated damages, penalty clauses, aggravated, restitutionary, punitive or exemplary damages or additional damages Caused By the multiplication of compensatory damages or non-compensatory damages.

Nuclear and Radioactive Risks

Actual or suspected exposure to ionising radiation or contamination by radioactivity from radioactive matter.

Repair, removal, replacement, recall, rectification, reinstatement or management of Property (whether or not required by statute) Connected With the presence or suspected presence of ionising radiation, radioactivity or radioactive matter.

Other Insurance (Not applicable to the Legal Expenses Section which contains specific terms)

Any claim for loss which is also covered wholly or partly under another insurance policy except for any excess beyond the amount which would have been covered under such other insurance had the Policy not been taken out.

Premium Payment

Any claim unless You have paid the premium. If We have agreed that You may pay the premium using an instalment facility, We shall not pay any claim unless Your instalment payments are up to date.

Silica

Actual or suspected exposure to or inhalation of Silica.

Repair, removal, replacement, recall, rectification, reinstatement or management of Property (whether or not required by statute) Connected With the presence or suspected presence of Silica.

Sonic Bangs

Pressure waves Connected With aircraft or other aerial devices travelling at sonic or supersonic speeds.

Terrorism (Not applicable to the Terrorism Section which contains specific terms)

Action, threat of action, or attempt at action, by individual(s) or group(s) of individuals or body or organisation(s), whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, a government or international governmental organisation or the population or a section of the population, or a community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause.

Including, but not limited to:

1. the use of violence against a person;
2. the causing of loss of, or damage to, Property;
3. acts which endanger a person's life;
4. acts involving the use of biological or chemical materials or weapons, or a nuclear device, nuclear material, or radioactive substance;
5. acts which create a risk to the health of an individual, the public, or a section of the public; and
6. acts designed or intended to interfere with, disrupt, or cause the malfunction of, electronic or mechanical equipment.

War and Government Action

1. War.
2. Government Action.
3. Civil commotion in Northern Ireland.

General Conditions

The following General Conditions apply to the whole Policy. They should be read in combination with any Conditions which apply to individual Sections of the Policy.

Cancellation by Us

We may cancel the Policy for any reason by giving You 30 days' written notice.

We may also cancel the Policy with immediate effect if:

1. We have reason to suspect that You or someone acting on Your behalf has committed fraud or made a misrepresentation to Us;
2. the premium has not been paid or there has been a default under an instalment or linked credit agreement; and/or
3. You have not complied with a Subjectivity by the required date.

We shall send notice of cancellation to You at the most recent postal or email address which We have on file.

Cancellation by You

You may cancel the Policy at any time during the Period of Insurance by sending written notification to Your insurance agent/broker or to Us.

Cancellation: refund of premium

If We cancel the Policy, We shall return a premium which is proportionate to the number of days remaining before the expiry of the Period of Insurance, subject to the application of any minimum premium.

If You cancel the Policy, We shall return part of the premium proportionate to the unexpired Period of Insurance.

However, We shall not return any premium if:

1. We have reason to suspect that You or anyone acting on Your behalf has committed fraud or made a misrepresentation to Us; and/or
2. during the Period of Insurance You have made a claim or notified circumstances which might give rise to a claim.

If You later make a claim for loss occurring prior to cancellation, We shall deduct the amount of the premium returned from the payment of any claim.

Change of Risk

You must notify Us immediately if, during the Period of Insurance, any of the following relevant events occur:

1. information which You provided or confirmed to Us before the commencement of the Period of Insurance ceases to be substantially correct;
2. Your interest in the Business ceases or is transferred to another person or entity;
3. there is a change in the ownership of the Business;
4. the Business becomes subject to an insolvency proceeding; and/or
5. demolition, construction, ground works or excavations are carried out on a site adjoining the Premises.

If You are in doubt as to whether an event is a relevant event, You should disclose it to Us.

Upon notification of a relevant event, We may, at Our absolute discretion, cancel, suspend or alter the terms of the Policy or increase the premium with effect from the relevant event.

If You fail to notify Us of a relevant event, We shall not pay any claim which is Connected With the relevant event.

Choice of Law and Jurisdiction

The Policy will be subject to and construed solely in accordance with the Law of England and Wales. All disputes arising out of or in connection with the Policy will be subject to the exclusive jurisdiction of the Courts of England and Wales.

Claims Conditions: Our Rights

If We agree to pay a claim, We shall have the right to:

1. enter or take possession of the Premises where the Damage or loss occurred;
2. take possession of and salvage Property Insured;
3. take over the defence and settlement of a claim brought against You;
4. conduct a subrogated recovery in Your name.

If, during the settlement of a claim, We make a payment which includes the applicable Excess, You will reimburse Us for that amount.

We may at any time free ourselves from further liability for a claim by paying to You the relevant Sum Insured, Indemnity Limit or lesser amount for which a claim can be settled, after deducting payments already made. We shall pay costs and expenses incurred with Our prior consent up to the date of such payment.

Claims Conditions: Your Obligations

Your claim will not be paid unless You comply with each of the following requirements:

1. You must tell Us as soon as reasonably practicable if You become aware of any facts or circumstances which may give rise to a claim against You;
2. You must tell the Police as soon as reasonably practicable if You become aware of any Damage which You know or suspect is Caused By a criminal act;
3. You must tell Us as soon as reasonably practicable if any written or verbal claim is intimated or made against You;
4. You must supply Us with full details of any claim, in writing and at Your own expense, within:
 - a. 7 days of becoming aware of any Injury, Damage or loss which You know or suspect is Caused By a criminal act; and
 - b. 30 days of becoming aware of any other Injury, Damage or loss;
5. You must forward to Us unanswered any written communications which relate to claims or possible claims against You, including letters of claim, writs, summons and other legal proceedings;
6. You must provide all the assistance, co-operation, evidence and information which We reasonably require in connection with any claim and/or subrogated recovery;
7. You must take all reasonable action to prevent and minimise existing and future loss; and
8. You must not admit, deny, negotiate or settle any claim without Our prior written consent.

Contracts (Rights of Third Parties) Act

A person or entity not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce a term of the Policy.

Fair Presentation

Part 2 of the Insurance Act 2015 requires You to make a fair presentation of the risk before the commencement of the cover and the agreement of any variations or renewals.

A fair presentation of the risk includes, but is not limited to:

1. ensuring that every material representation as to a matter of fact is substantially correct;
2. ensuring that every material representation as to a matter of expectation or belief is made in good faith; and
3. disclosing to Us every material circumstance which You know or ought to know.

If You are in doubt as to any aspect of Your duties under the Insurance Act 2015, You should speak to Your insurance agent/broker.

If You are in doubt as to the materiality of a representation or circumstance, You should disclose it to Us.

If You fail to make a fair presentation of the risk, the Insurance Act 2015 entitles Us to exercise remedies which include:

1. avoiding the Policy or any relevant variations or renewals;
2. applying different terms; and/or
3. reducing the amount to be paid on a claim.

If We avoid the Policy We shall usually return the premium unless Your conduct has been deliberate or reckless.

Fraud

If You or anyone acting on Your behalf:

1. makes a false, fraudulent or exaggerated claim;
2. supports a claim with false or fraudulent documents, devices or statements, even if the claim itself is genuine; and/or
3. makes a claim for loss which was deliberately Caused By You or anyone acting on Your behalf.

We shall, at Our absolute discretion:

1. refuse to pay the whole of the claim;
2. recover from You any sums which We have already paid in connection with the claim; and/or
3. terminate the Policy with effect from the date when the fraud was committed.

We shall not refund any premium if We know or have reasonable grounds to suspect that fraud has been committed.

Language

The contractual terms, conditions, exclusions and other information relating to this Policy will be in the English language.

Non-assignment

You may not assign or transfer any rights under the Policy without Our prior written consent.

Reasonable Precautions

Your claim will not be paid unless, throughout the Period of Insurance and at the date of loss or Damage, You have:

1. taken all reasonable precautions to prevent loss;
2. maintained all Insured Property by the Policy in a good state of repair;
3. taken reasonable care in selecting, training and supervising Employees and sub-contractors;
4. complied with all applicable statutory requirements, manufacturers' recommendations and other regulations relating to the use, inspection and safety of Property and persons; and
5. taken immediate steps to make good or remedy any defect or danger which becomes apparent and implemented additional precautions as the circumstances may require.

Sanctions

It is a condition of this Policy that the provision of any cover, the payment of any claim and the provision of any benefit shall be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under any:

1. United Nations' resolution(s); or
2. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Such suspension shall continue until such time as We would no longer be exposed to any such sanction, prohibition or restriction.

Subjectivity

If We have notified You or Your insurance agent/broker that the Policy is issued or renewed subject to any of the following requirements:

1. You;
 - a. providing Us with any additional information requested;
 - b. completing any actions agreed between You and Us;
 - c. allowing Us to complete any actions agreed between You and Us;
2. You allowing Us access to the Premises, Your contract sites and/or the Business to carry out survey(s) within 60 days of the inception or renewal date, unless We agree otherwise in writing;
3. You complying with the Risk Requirements within the timescales specified;

and You do not complete these requirements by the required date(s) then We may at Our absolute discretion:

1. modify the premium
2. issue a mid-term amendment to the Policy or Section terms Conditions and Exclusions
3. exercise our right to cancel the Policy
4. leave the Policy or Section terms Conditions and Exclusions and the premium unaltered.

We will contact You with Our decision and where applicable, specify the date(s) by which any action(s) agreed need to be completed by You and/or any decision by Us will take effect. If the premium, terms or conditions are amended by Us then You will have fourteen (14) days to accept or reject the revised basis of insurance.

If You elect to reject the revised basis of premium terms and conditions then You shall be entitled to a proportionate refund of premium for the unexpired period of cover provided that no claim has been made or notified during the current Period of Insurance.

If We exercise Our right to cancel the Policy then You shall be entitled to a proportionate refund of premium for the unexpired period of cover provided that no claim has been made or notified during the current Period of Insurance.

To the extent that this Condition conflicts with any other cancellation condition then this Condition shall prevail.

Except in so far as they are expressly varied by this Condition all of the terms, conditions and exclusions of the Sections of the Policy shall continue to apply until We advise You otherwise.

Value Added Tax (VAT)

All payments under the Policy will be exclusive of VAT unless You are unable to reclaim VAT from HM Revenue and Customs.

Property

This Section is only operative if shown as Insured in the Schedule.

Property: Definitions

The following definitions apply to the Property Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

Contract Works

Works which You undertake in connection with the erection, refurbishment or extension of Buildings further to a written construction contract, and materials for use in the works whilst at the site.

Declared Value

Your declaration of the Reinstatement cost of a Building at the commencement of the Period of Insurance, calculated in accordance with the Reinstatement Basis of this Section including its extensions and assuming that the Building is destroyed.

Flood

Damage which is Connected With or comprises:

1. flood;
2. flood Connected With storm;
3. inundation by the sea;
4. rainwater induced runoff;
5. bursting or overflowing of wastewater, drainage or sewage pipes or systems due to storm, tempest or flood; or
6. escape of water from the normal confines of any natural or artificial water course lake reservoir canal or dam.

Reinstatement

The rebuilding, replacement, repair or restoration of Damaged items of Property Insured, including:

1. the removal of debris from the Premises or an immediately adjacent area;
2. the dismantling, demolition, propping, shoring up or boarding up of Damaged Property; and
3. the replacement of Damaged Property in the manner and to the standard which is necessary to comply with legislation, building regulations and/or by-laws;
4. architects' surveyors' legal and other professional fees necessarily incurred in the reinstatement of Damaged Property but not for preparing any claim it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such Damage and that the liability for such Damage and fees shall not exceed in the aggregate the Sum Insured by each such item.

Property: Insuring Clause

We shall pay for Damage to Property Insured at the Premises occurring during the Period of Insurance.

Our liability will not exceed the lesser of:

1. the Sum Insured on each item; or
2. any applicable sub-limit specified in the Schedule, which will form part of the Sum Insured.

The Sum Insured will not be reduced by the amount of any claim, provided that You accept any variation in the terms of the Policy and pay the additional premium that We may reasonably require.

Property: Exclusions

We shall not make any payment under this Section for loss Connected With or comprising any of the following:

1. consequential loss of any kind.
2. Damage which is Connected With or comprises:
 - a. an existing or hidden defect in Property;
 - b. gradual deterioration, wear and tear, rust, corrosion or erosion;
 - c. frost or change in the water table level;
 - d. faulty design or faulty materials used in the construction of Property;
 - e. faulty workmanship, error or omission by You or an Employee in the operation of Your machinery;
 - f. the bursting of a boiler or other equipment not being used for domestic purposes where the internal pressure is due to steam only and belongs to You or is under Your control;
 - g. insects or vermin;
 - h. domestic pets;
 - i. Property undergoing a process of production, packing, treatment, testing, commissioning, servicing, or repair;
 - j. shrinkage, evaporation or loss of weight;
 - k. dampness or dryness;
 - l. scratching;
 - m. mould or fungus;
 - n. change in temperature, colour, flavour, texture, or finish, the action of light or atmosphere;
 - o. nipple or joint leakage or failure of welds;
 - p. cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and associated piping;
 - q. mechanical or electrical breakdown or derangement of Property; and/or
 - r. wet or dry rot

other than subsequent Damage Caused By a cause not otherwise excluded.

Property

3. Damage which is Connected With or comprises:
 - a. acts of fraud or dishonesty by You or anyone acting on Your behalf or any Employee;
 - b. disappearance;
 - c. unexplained shortage or inventory shortage;
 - d. misfiling, misplacing of information or clerical error;
 - e. You voluntarily parting with the title or possession of any Property or rights to Property if induced to do so by any fraudulent scheme, trick, device, deception or false pretence; and/or
 - f. theft or attempted theft of moveable property in the open or in open sided buildings.
4. Damage to a structure which is Connected With or comprises:
 - a. its own collapse or cracking;
 - b. normal settlement of new structures.
5. Damage which is Connected With or comprises Pollution except:
 - a. Damage comprising Pollution which is solely Caused By any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, Flood, bursting, overflowing, discharging or leaking of water tanks, water apparatus or water pipes, sprinkler leakage or impact by a road vehicle or animal; or
 - b. Damage Caused By any of the above perils which itself is Caused By Pollution unless otherwise excluded.
6. Damage which is Connected With or comprises of Damage to that portion of the Property Insured:
 - a. undergoing a process involving the application of heat; and/or
 - b. Caused By its own self ignition, leakage of electricity, short circuiting, or over-running.
7. Damage to glass not being fixed glass forming part of the structure of the Building.
8. Damage to:
 - a. livestock; or
 - b. growing crops or trees.
9. Damage to:
 - a. vehicles licensed for road use including accessories on or attached to them;
 - b. caravans or trailers;
 - c. railway locomotives or rolling stock;
 - d. watercraft or aircraft;
 - e. Property in the course of construction including materials for use in the construction; and/or
 - f. piers, jetties, bridges, culverts or excavations

except where specifically stated as insured in the Schedule and the Damage is not otherwise excluded.

Property

10. Damage Connected With cessation of work, including due to Government Action, strikes, locked out workers, labour disturbances or malicious persons Connected With such events.
11. Incidence of:
 - a. felling, lopping or pruning of trees;
 - b. Damage to fences, gates and moveable Property in the open or open sided Buildings
Connected With storm or falling trees.
12. Damage to a Building that is Unoccupied or part of a Building that is Unoccupied except where solely Caused By:
 - a. fire;
 - b. lightning;
 - c. explosion, except we shall not pay for Damage Connected With:
 - i. cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and associated piping;
 - ii. the bursting of a boiler or other equipment not being used for domestic purposes where the internal pressure is due to steam only and belongs to You or is under Your control;
 - d. aircraft and/or other aerial devices and/or articles dropped therefrom;
 - e. earthquake and/or subterranean fire.
13. Damage Connected With gradual emission or seepage from any fixed heating installation.
14. Damage to moveable property in the open Caused By wind, rain, hail, sleet, snow, Flood or dust.
15. Damage Connected With electrical or magnetic disturbance or erasure of electronic readings.
16. Damage Connected With the solidification of molten material.
17. Damage in respect of Money.
18. Damage to jewellery.
19. subsidence, landslip or heave:
 - a. that commenced prior to the Period of Insurance;
 - b. Connected With settlement or movement of made up ground, coastal or river erosion;
 - c. Connected With construction, demolition, alteration or structural repair of any Buildings at the Premises;
 - d. of walls (not otherwise forming part of the structure of a building), gates, fences, pools, yards, car parks, roads, bridges, pavements, walkways, terraces, drives forecourts and similar surfaces, unless the structure of a building insured by this Section is Damaged by the same cause at the same time.

Property

20. Damage Caused By anyone using any part of the Premises for the manufacture, cultivation, harvest or processing of drugs controlled under the Misuse of Drugs Act 1971 or Misuse of Drugs Regulations 2001.

Property: Extensions

Subject to the terms of this Section, We shall also pay for loss occurring within the Territorial Limits during the Period of Insurance in the circumstances set out below.

In these Extensions, Insured Damage means Damage to Property by a cause which is not excluded by this Section.

Asbestos

Notwithstanding the General Exclusion for Asbestos, if We pay for Insured Damage to Property Insured contaminated by it, We shall pay costs Caused By the Insured Damage and for which You are responsible for Asbestos debris removal. Our liability under this Extension shall be included within the Sum Insured.

Capital Additions

We shall pay for Insured Damage to any:

1. alterations and capital additions which You have made to Property Insured at the Premises during the Period of Insurance and within the 6 months preceding the occurrence of Damage;
2. Buildings which You have acquired or begun to occupy within the 30 days preceding the occurrence of Damage

provided that You pay any additional premium which We may reasonably require from the commencement of cover.

We shall not pay for:

1. appreciation in value; or
2. any property more specifically insured.

Our total liability under this Extension will not exceed:

1. £500,000 in respect of alterations and capital additions;
2. £1,000,000 in respect of any Buildings which You have acquired;

in any one Period of Insurance, being additional to the Sums Insured.

Contractors' Interest

If You are required by contract to insure Property in joint names, and the contractor observes the terms of this Policy as though they were You, We shall indemnify the contractor as a joint Insured.

We shall not pay for:

1. Damage to Property which is covered by another insurance policy; or
2. any claim in connection with Contract Works having a contract value in excess of £250,000.

Our total liability under this Section will not exceed the amount which would have been payable if the claim had been made by You.

Contract Works

We will pay the reasonable costs which You incur to repair Damage to Contract Works.

Our liability under this Extension will not exceed £250,000 in any one Period of Insurance, being additional to the Sums Insured.

Documents and Books

If Your documents, deeds, manuscripts or business books sustain Insured Damage, We shall pay for the cost of the materials and clerical labour expended in reproducing such records.

Our liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Contents.

Drain Clearance

If drains, sewers or gutters serving Buildings insured by this Section sustain Insured Damage, We shall pay for reasonable clearance costs which You incur with Our prior written consent.

Our liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

Emergency Services

We shall pay for Damage to Property Insured Caused By the police, fire or ambulance service while attending to an emergency at the Premises.

Our total liability under this Extension will not exceed £25,000 in any one Period of Insurance, being additional to the Sums Insured.

Failure of Tenants Insurances

If, contrary to the terms of the lease, Your Tenant fails to purchase or maintain insurance against Damage to a Building which You own, We shall pay for Insured Damage

Our total liability under this Extension will not exceed the lesser of 20% of the Sum Insured for the Buildings or £1,000,000 in any one Period of Insurance, being additional to the Sums Insured.

Fire Extinguishing Expenses

We shall pay the necessary and reasonable costs which You incur to refill or replace any:

1. portable fire extinguishing appliances;
2. local fire suppression system;
3. fixed fire suppression system;
4. sprinkler installation; and/or
5. sprinkler heads

as a result of Damage insured by this Section.

We will not pay any costs and expenses recoverable from the maintenance company or fire service.

You must maintain all such equipment in accordance with the manufacturer's instructions. If, in relation to any claim for fire extinguishing expenses, You fail to comply with this condition, We shall not pay any claim that is Connected With Your non-compliance.

Our total liability under this Extension shall not exceed £10,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

Fly Tipping

If a person other than Your Tenant trespasses on the Premises and deposits waste unlawfully, We shall pay the necessary and reasonable costs which You incur to remove the waste and clean the Premises.

Our liability under this Extension will not exceed £10,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

Gardening Equipment

We shall pay for Insured Damage to gardening equipment owned by You and used for the purposes of the Business at the Premises.

Our liability under this Extension will not exceed £10,000 in any one Period of Insurance, being part of the Sum Insured for Contents.

Illegal Cultivation of Drugs

Notwithstanding Property: Exclusion 20, We shall pay for Insured Damage to Property which is Caused By Your Tenant using any part of the Premises for the manufacture, cultivation, harvest or processing of drugs controlled under the Misuse of Drugs Act 1971 or Misuse of Drugs Regulations 2001.

Your Claim under this Extension will not be paid unless:

1. You obtain and retain written and verified references for all new Tenants, prospective Tenants or existing Tenants of less than a year, from a former landlord or sponsor;
2. You produce such written references if so requested by Us in the event of a claim under this Extension;
3. You obtain and record details of any new Tenant's bank account and verify those details by receiving at least one payment from such account;
4. You carry out internal and external inspections of the Premises at least every 3 months;
5. You maintain a log of such inspections and make that log available to Us on Our request;
6. You carry out a 6 monthly management check of the inspections log;
7. You obtain formal photo identification of any new residential Tenant.

Our liability under this Extension will not exceed £250,000 in any one Period of Insurance, being part of the Sum Insured.

Inadvertent Failure to Insure

Insured Damage to uninsured Buildings which:

1. You have purchased within the 30 days preceding the occurrence of Damage; and
2. You have an obligation to insure under the terms of a lease

provided that You pay any additional premium that We may reasonably require from the commencement of cover.

We shall not pay for appreciation in value.

Our total liability under this Extension will not exceed:

1. £500,000 in respect of alterations and capital additions; or
2. £1,000,000 in respect of any Buildings which You have acquired;

being additional to the Sums Insured.

Landscape Damage

We shall pay for Insured Damage to landscaped grounds, gardens, potted plants, trees shrubs, garden statues and garden furniture at the Premises.

Our liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

Loss Minimisation

Following Damage at the Premises, We will pay for reasonable costs and expenses, which You incur with Our prior written consent, to provide necessary additional physical protection to prevent further Damage.

We will not pay:

1. more than the reduction in Damage avoided by the expenditure;
2. for costs otherwise incurred under General Condition - Reasonable Precautions;
3. more than £25,000 in total under this Extension in one Period of Insurance, being additional to the Sums Insured.

Loss of Metered Utilities

We shall pay charges for which You are responsible if Insured Damage causes electricity, gas, water or oil to be accidentally discharged from a metered system which services the Premises.

Our total liability under this Extension shall not exceed £25,000 in any one Period of Insurance, being additional to the Sums Insured.

Munitions

General Exclusions - War and Government Action, paragraph 1. (War) will not apply to Damage to Property Insured Caused By the detonation of munitions of war or parts thereof, at or within one mile of the Premises, provided that the presence of such munitions does not result from a state of War current at the time of the Damage.

Removal of wasps and bees nests

If You discover wasps' or bees' nests within Buildings, We shall pay the reasonable professional costs which You incur to remove them.

Our liability under this Extension shall not exceed £1,000 for each claim and £5,000 in any one Period of Insurance, being additional to the Sums Insured.

Replacement Locks

We shall pay for the reconfiguration or replacement of access cards, codes, fobs, keys or locks to external doors, windows, safes or strong rooms which are accidentally lost or stolen:

1. from the Premises;
2. from the home of a director or partner or authorised Employee; or
3. whilst in the custody of a director or partner or an authorised Employee.

Your claim will not be paid unless all access cards, codes, fobs, keys belonging to a safe or strong room are:

1. always kept in a secure place away from the safe or strong room; and
2. removed from the Premises while unattended.

Our total liability under this Extension shall not exceed £7,500 in any one Period of Insurance, being additional to the Sums Insured.

Residential Loss of Rent and Alternative Accommodation

If Insured Damage causes residential Buildings or the residential parts of mixed commercial and residential Buildings to become unfit for occupation, We will pay for:

1. Loss of rent in respect of residential parts only including associated ground rent and management charges You should have received but have lost;
2. the cost of reasonable alternative accommodation incurred by any owner, lessee or Tenant of any residential part only if this is necessary;
3. the cost of reasonable accommodation in kennels and/or catteries for dogs and/or cats belonging to any Tenant where such pets are not permitted in any alternative accommodation;
4. temporary storage of Your Tenants' furniture.

We shall not make any payment under this Extension if cover for alternative accommodation is provided by another insurance policy.

Our liability under this extension will not exceed 20% of the Sum Insured for the Building which has sustained Damage, being additional to Sum Insured.

Temporary Boarding Up

If glass sustains Insured Damage, We shall pay for boarding up or the installation of temporary glazing.

Our liability under this Extension will not exceed £5,000 in any one Period of Insurance, being additional to the Sums Insured.

Temporary Removal

We shall pay for Insured Damage to items of Buildings or Contents which are temporarily removed from the Premises or in Transit to or from the Premises for cleaning, renovation or repair.

We shall not pay for Damage to:

1. items which are insured under another insurance policy;
2. items which are removed from the Premises for more than 90 consecutive days; or
3. any motor vehicle or motor chassis licensed for normal road use.

We shall not pay for loss Connected With loss of information or Loss of Data.

Our liability under this Extension in any one Period of Insurance will not exceed £25,000 being part of the Sum Insured for the relevant item.

Trace and Access

We shall pay reasonable costs and expenses which You incur with Our prior written consent as a result of Insured Damage:

1. to locate the source of an escape of water, fuel or oil from a fixed domestic water service or heating installation; and
2. to make good resulting Damage.

We shall not pay:

1. for the cost of repair to the service or heating installation; or
2. where Damage results solely from a change in the water table level.

Property

Our liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

Tree Felling

If trees, branches or lampposts at the Premises sustain Insured Damage and pose a threat to life or property, We shall pay the reasonable costs which You incur to remove them.

Our liability under this Extension will not exceed £5,000 in any one Period of Insurance, being additional to the Sums Insured.

Unauthorised Use of Utilities

If trespassers consume metered electricity, gas, oil or water while occupying Property Insured without Your consent, We shall pay any charges for which You are responsible.

You must take all practical steps to terminate the unauthorised use immediately upon discovery.

Our liability under this Extension will not exceed £5,000 in any one Period of Insurance, being additional to the Sums Insured.

Undamaged Property

We shall pay for the replacement of undamaged items of Property Insured which must be replaced for Reinstatement works to comply with legislation, building regulations and/or by-laws.

We shall not pay for foundations.

Our liability under this Extension will not exceed 15% of the cost of Reinstating the undamaged item, assuming that it had been wholly destroyed, being part of the Sum Insured for Buildings.

Underground Services

We shall pay for Insured Damage to underground pipes, drains, sewers and cables for which You are responsible up to the point of connection to a public main.

Our liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

Property: Basis of Settlement

We shall calculate the amount payable under this Section according to the provisions below.

Standard Basis

The Standard Basis applies to any Damaged item of Buildings or Contents identified on the Schedule or by endorsement to be subject to the Standard Basis.

We shall pay for the Reinstatement of a Damaged item of Property Insured to a condition substantially the same as, but not better or more extensive than, its condition at the time when the Damage occurred.

If the market value of an item of Damaged Property Insured at the time when the Damage occurred is less than the cost of Reinstatement, Our liability will not exceed the loss of market value Caused By the Damage.

Reinstatement Basis

The Reinstatement Basis applies to any Damaged item of Buildings or Contents, provided that You:

1. Reinstatement the item to a condition which is at least equivalent to its condition when new, which may be in another manner and/or at another location;

Property

2. commence and complete all Reinstatement works without unreasonable delay; and
3. provide Us with all information that We may reasonably require at any time during the Reinstatement works.

If the Reinstatement Basis applies, We shall pay for the Reinstatement of a Damaged item of Buildings and Contents to a condition substantially the same as, but not better or more extensive than, the condition of the Damaged item when new.

Day One Reinstatement Basis

The Day One Reinstatement Basis applies to any Damaged item of Buildings or Contents, provided that a Declared Value is specified in the Schedule in relation to that item.

If the Day One Reinstatement basis applies, We shall pay for the Reinstatement of a Damaged item of Buildings or Contents including any increase in cost due to inflationary factors, up to the Sum Insured stated in the Schedule in relation to that item.

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 plus an allowance for Index Linking for the following Period of Insurance.

If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured on a Reinstatement Basis on the date when cover commences, 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 on a Reinstatement Basis.

We will not pay under this Basis of Settlement:

1. until You have incurred the cost of replacing or repairing the Property Insured;
2. if You or someone acting on Your behalf has insured the Property Insured under another policy which does not have the same basis of reinstatement; and
3. if You do not comply with any of the provisions of this Basis of Settlement.

Average

You must ensure that the Declared Value, or Sum Insured where no Declared Value applies for each item of Property Insured is sufficient for Reinstatement, assuming that the item is destroyed and the Reinstatement cost for an item is calculated in accordance with the Reinstatement Basis of this Section including its extensions. The exception shall be any Property Insured identified on the Schedule or by endorsement to be subject to the Standard Basis, which shall be calculated on the Standard Basis.

You will be considered as Your own insurer for the difference and bear a proportionate share of the loss if:

1. the Declared Value for Property Insured on a Day One Reinstatement Basis is insufficient on the date when cover commences; or
2. the Sum Insured for any other item is insufficient by more than 15% on the date when the Damage occurs.

Average Waiver

Average will not be applied to a claim for Damage to a Building provided that the following conditions are satisfied:

1. Your Sum Insured or Declared Value (as applicable) has been calculated in reliance upon a written professional valuation report.

2. You obtained the valuation report no more than 3 years before the commencement of cover by instructing a suitably qualified and experienced professional member of the Royal Institution of Chartered Surveyors to undertake a physical inspection of the Premises and apply the relevant recommendations in the current edition of the RICS guidance note Reinstatement Cost Assessment of Buildings.
3. No changes have subsequently been made to the Building which might affect the Reinstatement cost.
4. You have applied appropriate indexation from the date of the valuation.
5. At Our Request You provide Us with a copy of the valuation and any other information that We may reasonably require.
6. You assign to Us any cause of action that You may have against the responsible surveyor.

72 Hours Clause

Damage Caused By storm, Flood or earthquake occurring within each and every separate period of 72 hours during the Period of Insurance will be deemed to be one loss in determining the application of the Excess.

Property: Conditions

The following Conditions apply to this Section.

Designation

In determining the item under which Property is insured We will accept the designation given in Your business records.

Index Linking

We shall apply appropriate indexation to the Declared Value (if applicable) and the Sum Insured throughout the Period of Insurance and adjust the premium at each renewal to reflect any movement.

Mortgagees Freeholders and Lessors

Mortgagees, freeholders and lessors will not be prejudiced by an increase in the risk of Damage Caused By an act of negligence of a mortgagor, leaseholder, lessee or occupier of Buildings insured by this Section, provided that such increase in risk is without their prior knowledge or authority and We are notified immediately they become aware of such increase in risk.

Non-invalidiation

If the risk of Insured Damage is increased by an act, omission or alteration of Your Tenant which is beyond Your control, the indemnity provided by this Section will not be invalidated provided that You notify Us immediately and pay any additional premium required.

Other Interests

The interest of:

1. any lessor, lessee, mortgagee or mortgagor and or tenant in an individual portion of the Property Insured to which their interest applies;
2. parties supplying Property to You under a hiring, leasing or similar agreement;

is noted, provided that in the event of Damage:

1. You immediately disclose to Us the nature and extent of any such interest; and
2. that such interest is not otherwise insured.

Reinstatement

When We decide or are required to reinstate or replace any Property Insured You will at Your expense provide plans, documents, books and/or information which We require.

Subrogation Waiver

We shall not enforce rights of subrogation against:

1. a company which is Your parent, subsidiary or a subsidiary of Your parent according to the relevant company law current at the time of the Damage;
2. any Tenant or lessee in respect of Damage where the premium has been paid by the Tenant or lessee unless the Damage is Caused By a criminal, fraudulent or malicious act of the Tenant or lessee; or
3. any other party We agree in writing.

Transfer of Interest

The purchaser of a Building insured by this Policy will be entitled to the benefit of this Policy if:

1. at the time when Damage occurs, You have contracted to sell Your interest in the Building;
2. the Building is not otherwise insured against such Damage; and
3. the purchaser observes all the terms of this Policy as though they were You.

Rental Income

This Section is only operative if shown as Insured in the Schedule.

Rental Income: Definitions

The following Definitions apply to the Rental Income Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

Actual Rental Income

The amount certified by Your external auditors or accountants as representing the Rental Income in respect of the Premises paid or payable to You in the course of the Business during the most recently completed financial year prior to the commencement of the current Period of Insurance.

Annual Rental Income

The amount of Rental Income which You earned during the 12 months immediately prior to the commencement of the Indemnity Period.

Contagious Disease

Any of the following human contagious diseases:

cute encephalitis, acute infectious hepatitis, acute meningitis, acute poliomyelitis, anthrax, botulism, brucellosis, cholera, diphtheria, enteric fever (typhoid or paratyphoid fever), food poisoning, haemolytic uraemic syndrome (HUS), infectious bloody diarrhoea, invasive group A streptococcal disease, Legionnaires' disease, Legionellosis, leprosy, malaria, measles, meningococcal septicaemia, mumps, plague, rabies, rubella, Severe Acute Respiratory Syndrome (SARS), scarlet fever, smallpox, tetanus, tuberculosis, typhus, viral haemorrhagic fever (VHF), whooping cough, yellow fever

Coverage under this Section will not be provided for loss which is Connected With any other disease or condition, whatever its relationship with the diseases stated above.

The exclusion for Epidemic and Pandemic Disease applies to the Rental Income Section. No payment will be made for loss which is Connected With a disease listed above to the extent that it represents Epidemic Disease or Pandemic Disease.

Extension Event

Any Extension Event in the Sections Rental Income: Extension Events (Damage) or Rental Income: Extension Events (Non-Damage) and which is specified in the Schedule.

Incident

Either of the following occurrences taking place during the Period of Insurance:

1. Damage:
 - a. by a cause not excluded by the Property Section; and
 - b. for which liability has been admitted under an insurance policy covering Your interest in the property, or liability would have been admitted but for the operation of a provision in such insurance excluding liability for losses below a specified amount;
2. an Extension Event which is specified in the Schedule.

Rental Income

Indemnity Period

The period beginning with the commencement of interruption to the Rental Income Caused By an Incident and ending with whichever of the following events first occurs:

1. the Rental Income ceasing to be affected by the Incident;
2. the expiry of a reasonable time to effect reinstatement of Damaged Property and recover the position that You would have been in had the Incident not occurred; or
3. the expiry of the Maximum Indemnity Period.

Insured Damage

Damage to Property by a cause which is not excluded by the Property Section.

Loss of Interest

The interest incurred on capital borrowed for the purpose of financing the Business and/or the investment interest lost to You on any balance proceeds after deduction of any capital borrowed.

Loss of Interest shall be limited to the Bank of England base rate plus 2%.

Maximum Indemnity Period

The period specified in the Schedule, unless a shorter period is specified elsewhere in the Policy.

Unless stated otherwise, the Maximum Indemnity Period for an Extension Event (Non-Damage) will be 3 months.

Outstanding Debit Balances

The amount owed to You by Your customers which You are unable to collect because of Damage to Your accounts, business books or records stored within the Territorial Limits.

Rental Income

The amount paid or payable to You as Rent for the Premises and for services provided in connection with the Business at the Premises.

Standard Rental Income

The Rental Income in the period during the 12 months immediately prior to the commencement of the Indemnity Period which corresponds with the Indemnity Period.

Rental Income: Insuring Clause

We shall pay for loss of Rental Income Caused By an Incident.

Our liability will not exceed the lesser of:

1. the Sum Insured or Limit of Liability specified in the Schedule; or
2. any applicable sub-limit specified in the Schedule, which will form part of the Sum Insured or Limit of Liability.

The Sum Insured will not be reduced by the amount of a claim, provided that You accept any variation in Policy terms and pay the additional premium that We may reasonably require.

Rental Income: Extension Events (Damage)

The occurrence of Insured Damage to the Property listed below will constitute an Extension Event if specified in the Schedule.

Capital Additions Rental Income

We will pay for loss of Rental Income for any newly acquired or newly erected Buildings or alterations additions or extensions to Buildings covered under the Property Section that is not otherwise insured provided that You must tell Us as soon as possible of any extension of cover as detailed above and take out insurance cover from the date Our liability commenced.

The most We will pay at any one situation is 10% of the Sum Insured under this Section up to a maximum of £500,000 during any one Period of Insurance, being additional to the Sums Insured.

Inadvertent Failure to Insure

We will pay for loss of Rental Income following Damage to Buildings owned by You in Great Britain Northern Ireland the Channel Islands or the Isle of Man for which You have an obligation to insure (whether owned or leased to You) but which have inadvertently been left uninsured.

Provided that:

1. You must advise Us in writing immediately You become aware of a property inadvertently left uninsured and pay the appropriate premium due from the date the insurance becomes Your responsibility: and
2. You must carry out at not less than 12 months 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 on each of them.

We shall not pay You for:

1. any Building more specifically insured; and/or
2. any appreciation in value.

Our total liability under this Extension will not exceed:

1. £100,000 in respect of alterations and capital additions;
2. £500,000 in respect of any Buildings which You have acquired;

being additional to the Sums Insured.

Loss of Attraction

Damage to Property within 100 metres of Your Premises which constitute an attraction to Your Tenants' business and the Damage directly causes a reduction of Rental Income to Your Business (other than due to avoidance or delay in negotiating a lease).

Provided that:

1. the Indemnity Period for this Extension is 3 months; and
2. We shall not pay for losses incurred in the first 7 days of the Indemnity Period following the occurrence of Damage.

Rental Income

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed £100,000.

Loss of Attraction - Delay in Lease Negotiation

Damage by any cause not excluded under the Property Section to Your Premises, or within 100 metres of Your Premises, as a result of which an agreement in the course of negotiation to lease the Premises is avoided or delayed and the Rental Income due to you is reduced.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed £50,000.

Property Within One Mile of the Premises

Insured Damage to Property within 1 mile of the Premises which;

1. causes the Premises to be closed; or
2. physically prevents Tenants from accessing the Premises.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £100,000 or 10% of the Sum Insured.

Utilities

The accidental failure of supply of electricity, gas, water or telecommunications at the terminal ends of Your Tenants' supplier's feed to the Premises within the Territorial Limits.

We shall not pay for loss Connected With a failure of supply which:

1. is Caused By the deliberate act of the supplier, including the exercise of a power to withdraw or restrict the supply of services;
2. is Caused By industrial action;
3. lasts less than:
 - a. 4 consecutive hours for electricity, gas or water; or
 - b. 24 consecutive hours for telecommunications.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £50,000 or 10% of the Sum Insured.

Rental Income: Extension Events (Non-Damage)

Any of the occurrences listed below will constitute an Extension Event if specified in the Schedule, provided that it does not cause or contribute to loss, damage, injury or interruption (whether or not insured by the Policy) over an area exceeding 3 square miles.

Disease, Infestation and Defective Sanitation

A public authority order, Caused By any of the following events:

1. murder or suicide at the Premises;
2. customer illness Caused By food or drink supplied at the Premises;
3. an outbreak of Contagious Disease at the Premises or within 1 mile of the Premises;

Rental Income

4. the discovery of vermin or pests at the Premises; and/or
5. defects in the sanitary arrangements at the Premises Caused By a sudden and unexpected accident

which compels Your Tenants to cease operating at the Premises.

We shall not pay under this Extension for loss:

1. if a Tenants' business continues operating, including remotely or at other locations;
2. at any part of any Premises to which the order does not apply;
3. Caused By an order lasting less than 12 consecutive hours;
4. comprising the costs of cleaning, repair, replacement, recall or checking of Property, and/or
5. Connected With Legionellosis or Legionnaires disease unless Your Tenant has complied at all times with the Health and Safety Executive Approved Code of Practice and guidance on regulations of "Legionnaires' disease. The control of legionella bacteria in water systems" or any supplementary replacement or amending Code of Practice.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £100,000 or 10% of the Sum Insured.

Local Emergency

The lawful order of an emergency service, Caused By an emergency within 1 mile of the Premises endangering life or Property, which prevents access to the Premises.

We shall not pay for loss:

1. Caused By a prevention of access which lasts less than 12 consecutive hours;
2. Caused By a public authority order which compels Your Tenants' business to cease operating at the Premises; or
3. comprising the costs of cleaning, repair, replacement, recall or checking of Property.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £50,000 or 10% of the Sum Insured.

Rental Income: Basis of Settlement

We shall calculate the amount payable under this Section according to the provisions below.

Additional Increase in Cost of Working

We shall pay expenditure in excess of increase in cost of working which is necessarily and reasonably incurred by You solely to:

1. maintain essential administrative functions; and/or
2. minimise the loss of Rental Income Caused By the Incident.

Our liability under this Basis of Settlement shall not exceed £25,000 during the Indemnity Period, being additional to the Sums Insured.

Book Debts

We shall pay the difference between the Outstanding Debit Balances and the total amounts which, with the exercise of due care and skill, You are able to trace and collect. In calculating the amount payable We shall consider:

1. cash collection prior to the Incident;
2. debit and credit amounts owed and not passed through the books during the period between the last record and the commencement of the Indemnity Period; and
3. Your last record of amounts owed by customers.

We shall not pay for loss Connected With any of the following:

1. erasure or distortion of information on computer systems or other records;
2. deliberate falsification of business records;
3. mislaying or misfiling of tapes and records;
4. the deliberate act of the public supply undertaking in restricting or withholding electricity supply; or
5. dishonest or fraudulent acts by Your Employees.

Our liability under this Basis of Settlement shall not exceed £25,000 per claim, being additional to the Sums Insured.

Rental Income

We shall pay the amount by which the Rental Income falls short of the Standard Rental Income during the Indemnity Period Caused By the Incident.

We shall also pay the additional expenditure necessarily and reasonably incurred by You solely to avoid or diminish a reduction in Rental Income Caused By the Incident during the Indemnity Period.

If You do not provide Us with a cost benefit business model to justify additional expenditure in advance of it being incurred, which is agreed in writing by Us, We may limit the amount payable to the loss thereby avoided.

Rental Income: Settlement Conditions

We shall apply the following Settlement Conditions when calculating the amount payable under this Section.

Alternative Trading

Rental Income will include Rental Income derived elsewhere than from the Premises if Business is conducted elsewhere than at the Premises.

Auditors and Professional Accountants

We shall pay the reasonable charges of Your external auditors and accountants which are incurred with Our prior written agreement to:

1. produce information that We require to investigate a claim; and/or
2. confirm that the information accords with Your business books.

We shall not pay for the production of information that is routinely available to You.

Our liability for all such charges Connected With a claim will form part of the Sum Insured applicable to any Extension Event or the Rental Income: Insuring Clause.

Average

Our liability will be proportionately reduced if the Sum Insured for Rental Income is less than 85% of the Annual Rental Income (proportionately increased where the Maximum Indemnity Period exceeds 12 months).

Buildings Awaiting Sale

If You have contracted to sell Your interest in the Premises, and an Incident causes the buyer to cancel or delay the purchase, We will pay:

1. the loss of Rental Income which You incur until the Premises would have been sold; and
2. Loss of Interest from the date the Premises would have been sold to the date of sale or end of the Indemnity Period, whichever is earlier less any Rental Income received.

We will also pay, any expenditure reasonably and necessarily incurred with Our prior written consent during the Indemnity Period solely to avoid or minimise the sums in 1. and 2. above.

Our liability per claim under this Condition will not exceed £250,000.

If an Incident occurs after You have contracted to sell the Premises but before the sale is completed, the purchasing third party will be entitled to the benefit of this Section until completion, without prejudice to the rights and liabilities of You or Us.

Cost of reletting

If an Incident causes You or the Tenant to terminate the lease before the due expiry date, We shall pay the reasonable costs incurred with Our prior written consent of reletting the Premises including:

1. advertising costs; and
2. administration costs.

Our liability per claim under this Condition will not exceed £250,000.

Excess

We shall apply all terms of this Section before deducting the amount of the Excess specified in the Schedule to each and every claim.

Extension Events

Our liability in any one Period of Insurance for loss of Rental Income Connected With an Extension Event or series of Extension Events will not exceed the Rental Income Sum Insured.

Loss of Interest

If a payment under this Section is made later than You would otherwise have received payment from a Tenant, We will pay Loss of Interest from the date on which You would have received the payment until the date on which payment is made.

New Business

If an Incident occurs within the first year of trading, We shall calculate the amount payable by proportionately increasing the amount of Rental Income which became paid or payable to the Business before the commencement of the Indemnity Period.

We shall arrive at an adjusted amount which represents as closely as possible the Rental Income that the Business would have achieved during the Indemnity Period had the Incident not occurred.

Payment on Account

We shall make claims payments on account during the Indemnity Period, provided that You have given Us sufficient information in advance to satisfy Us that such payments are reasonable and will result in a lower cost overall.

Rental Income

Savings and Deductions

We shall reduce the amount of any payment to take account of:

1. amounts saved by the Business in consequence of the Incident during the Indemnity Period (not including depreciation charges) which would otherwise have contributed to the loss; and/or
2. payments which You are entitled to receive from a material damage insurer in consequence of the Incident, including under this Policy, which reduce the loss.

Subrogation waiver

We shall not enforce rights of subrogation against:

1. a company which is Your parent, subsidiary or a subsidiary of Your parent according to the relevant company law legislation current at the time of the Damage;
2. any Tenant or lessee in respect of Damage where the premium has been paid by the Tenant or lessee unless the Damage is Caused by a criminal, fraudulent or malicious act of the Tenant or lessee; or
3. any other party We agree in writing.

Trends and Circumstances

We shall take account of any trend, variation or circumstance affecting the Rental Income before or after the commencement of the Indemnity Period which would have affected the Rental Income had the Incident not occurred.

We shall make an adjustment even if the trend, variation or circumstance arises from the same originating cause as the Incident.

The adjusted amount will represent as closely as possible the results which the Business would have obtained during the Indemnity Period had the Incident not occurred.

Underinsurance

We shall not make a payment under this Section for any loss Connected With Your failure to insure an item of Property for an amount which is adequate to reinstate it, or from the application of average or coinsurance to any claim.

Liability

This Section is only operative if shown as Insured in the Schedule. The Employers' Liability and Property Owners Liability Sections are sub-Sections of the Liability Section. Each is only operative if shown as Insured in the Schedule.

Liability: Definitions

The following Definitions apply to the Liability Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

Costs and Expenses

The costs and expenses You are legally liable to pay to a claimant in connection with a claim made against You which is insured by this Section.

The necessary and reasonable costs and expenses incurred with Our prior written consent to investigate, adjust, defend or settle a claim made against You which is insured by this Section.

The necessary and reasonable costs and expenses incurred with Our prior written consent for representation in proceedings:

1. before a Court of Summary Jurisdiction where it is alleged that You have committed a breach of statutory duty causing Injury;
2. where it is alleged that You have committed an offence under the Health and Safety at Work Act 1974 or similar legislation relating to the health, safety or welfare of Employees;
3. where it is alleged that You have committed an offence under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation; or
4. before a Coroner's Court or Fatal Accident Inquiry in respect of a death.

Subject to the Costs and Expenses Conditions.

Products Supplied

Any product or thing including packaging, containers, instructions and labels sold, supplied, erected, repaired, altered, treated, installed, tested, serviced or delivered by or through You in the course of the Business.

Liability: Extensions

The following extensions apply to the Employers Liability and Property Owners Liability cover.

Court Attendance

If We require any of the following people to attend Court as a witness to proceedings Connected With a claim which is insured by this Section, We shall pay for each day on which attendance is required:

1. Your directors or partners: £750
2. Your Employees: £250

Cross Liabilities

If the Policy is issued in joint names of more than one party, We shall pay each party as if a separate policy had been issued to each of them provided that Our total liability will not exceed the Indemnity Limit under this Section.

Cyber

The General Exclusion for Cyber will not exclude cover under this Section for Injury.

Indemnity to Others

Where You would have been entitled to indemnity under this Section if the claim had been made against You, We shall also indemnify the following additional persons:

1. Your personal representatives in the event of Your death; and
2. at Your request:
 - a. Your directors, partners or Employees;
 - b. an officer committee or member of Your canteen, social, sports, educational or welfare organisations and fire, security, first aid, medical or ambulance services in their capacity as such;
 - c. Your directors or senior officials for private work undertaken by an Employee for their benefit; and
 - d. a principal for whom You carry out work in the course of Your Business for liability Caused By Your performance of the work but not for loss or Damage to Property which You are required to insure in joint names under the terms of a contract.

Provided that:

1. each person listed above must observe the terms of this Policy as though they were You;
2. We shall retain sole conduct and control of any claim; and
3. Our total liability under this Section will not exceed the Indemnity Limit.

Liability: Conditions

The following conditions apply to this Section.

Bona Fide Sub-Contractors

We will not pay for loss Connected With the performance of works by a sub-contractor unless, before any works are carried out:

1. You take reasonable steps to satisfy yourself that the sub-contractor is suitably qualified and experienced in the work to be carried out;
2. You obtain written evidence that the sub-contractor has an insurance policy in force for the duration of the contract:
 - a. with an indemnity limit of not less than:
 - i. £5,000,000 in respect of Public Liability insurance;
 - ii. £10,000,000 in respect of Employers' Liability insurance;
 - b. covers the work to be undertaken; and
 - c. contains an indemnity to principal clause;
3. You obtain the name of the insurer and the number of the policy; and

Liability

4. You confirm that the sub-contractor takes steps to comply with any hot works provisions in the policy.

Costs and Expenses

We shall pay Costs and Expenses provided that:

1. the alleged offence giving rise to the proceedings occurred in the course of Business during the Period of Insurance and within the Territorial Limits;
2. the proceedings are brought within the Territorial Limits;
3. the injury or death or offence has caused a civil claim to be made against You which is insured by this Section, or may cause a Claim to be made against You in the future.

Our liability for all Costs and Expenses payable in any one Period of Insurance will not exceed:

1. In relation to proceedings relating to any alleged offence under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation, the lesser of £1,000,000 (which will form part of the Indemnity Limit) or the Indemnity Limit; or
2. In relation to proceedings relating to all other offences, the lesser of £5,000,000, (which will form part of the Indemnity Limit) or the Indemnity Limit.

We shall not pay for the Costs and Expenses of:

1. proceedings Connected With the deliberate act or omission of You or an Employee;
2. proceedings relating to improvement or prohibition notices, remedial or publicity orders or steps required to be taken by such orders; or
3. public inquiry.

We shall not pay for costs which You are ordered to pay to a prosecution authority.

Employers Liability: Insuring Clauses

This sub-Section is only operative if specified in the Schedule.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence is the Indemnity Limit as specified in the Schedule or the limit specified in the Insuring Clause, whichever is the lesser.

Accidental Injury

We shall pay for all sums which You are legally liable to pay as damages and Costs and Expenses for accidental Injury sustained by an Employee provided that the Injury:

1. occurs during the Period of Insurance;
2. arises out of and in the course of their employment by You in connection with the Business; and occurs:
 - a. within the Territorial Limits;
 - b. elsewhere in the world for temporary visits to undertake non-manual work by any person normally resident within the Territorial Limits.

Asbestos, Radiation, Silica, Terrorism

Notwithstanding the General Exclusions for Asbestos, Nuclear and Radioactive Risks, Silica and Terrorism, this Section will cover Injury Caused By Asbestos, radiation, Silica or Terrorism.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence is £5,000,000.

Injury to Working Partners

We shall treat as an Employee any working partner or proprietor of the Business who suffers Injury Caused By the negligence of another working partner, proprietor or Employee while both are working in the course of the Business.

Unsatisfied Court Judgments

If an Employee or their personal representative obtains a court judgment against a third party for damages for Injury, and that judgment remains unpaid for 6 months, We shall at Your request pay to the Employee or their personal representative the amount of unpaid damages and awarded costs.

Provided that:

1. the Injury occurred during the Period of Insurance and arose out of and in the course of the Employee's employment by You in the course of the Business;
2. the judgment was given within the Territorial Limits against a third party operating from within the Territorial Limits;
3. there is no appeal outstanding; and
4. the Employee or personal representative assigns to Us the right of action to claim damages and costs from the third party.

Employers Liability: Exclusions

Save as necessary to comply with the minimum requirements of the law within the Territorial Limits relating to the compulsory insurance of Your liability to Employees, We shall not pay for liability Connected With or comprising any of the following:

Motor Liability

Injury to an Employee which is Caused By Your use of a vehicle on a road while the Employee is:

1. being carried in or upon a vehicle; or
2. entering or getting on to, or alighting from, a vehicle.

Overseas Actions

Any action or recovery brought or commenced outside the Territorial Limits.

Overseas Subsidiaries, Branches and Representatives

Claims brought against You in any country outside the Territorial Limits in which:

1. an associated or subsidiary company of Yours; and/or
2. a branch office or representative of Yours with power of attorney

is registered, located or resident, unless We have given Our prior agreement in writing.

Statutory Liabilities

Any amount payable under any Workmen's Compensation, Social Security or Health Insurance legislation.

Employers Liability: Conditions

The following Conditions apply to this Section.

Cancellation

Following cancellation of the Policy, any certificates of Employers' Liability insurance will also be cancelled from the date on which cancellation of the Policy becomes effective. You must not display copies of the certificates at the Premises or provide them to any person.

Right of Recovery

This section is deemed to comply with the law relating to the compulsory insurance of Your liability to Employees within the Territorial Limits You must repay to Us all sums paid by Us that We would not have been liable to pay but for the provisions of such law.

Property Owners Liability: Insuring Clauses

This sub-Section is only operative if specified in the Schedule.

The maximum We shall pay for any claim or series of claims (regardless of the number of claimants) Connected With one source or original cause is the Indemnity Limit as specified in the Schedule or the limit specified in the Insuring Clause, whichever is the lesser, but in respect of Products Supplied the Indemnity Limit shall apply to all insured events occurring in any one Period of Insurance.

We shall pay Costs and Expenses in addition to the Indemnity Limit except for any claim brought in the United States of America or Canada, where the Indemnity Limit will include Costs and Expenses.

Cover

We shall pay for all sums which You are legally liable to pay as damages and Costs and Expenses for accidental:

1. Injury;
2. Damage to Property; and/or
3. nuisance, trespass, obstruction, loss of amenities or interference with right of way light air or water if also involving Injury or Damage to Property

occurring during the Period of Insurance in connection with the Business and/or arising from work being undertaken:

1. within the Territorial Limits;
2. within the European Union for temporary visits by any person normally resident within the Territorial Limits; or
3. elsewhere in the world for temporary visits to undertake non-manual work by any person normally resident within the Territorial Limits.

Contingent Motor

We shall pay for all sums which You are legally liable to pay as damages for accidental Injury or Damage to Property Caused By a motor vehicle that You do not own, provide, loan, lease, hire or rent being used in the course of the Business within the Territorial Limits.

We shall not pay for loss which is Connected With:

1. Damage to the vehicle or Property carried in or on it;

Liability

2. an accident involving a driver using the vehicle with Your general consent who, to Your knowledge, does not hold a licence to drive the vehicle; or
3. liability which is covered by another insurance policy.

Data Protection

We shall pay for all sums which You are legally liable to pay to a private person as damages in proceedings brought against You for alleged breach of:

1. Sections 168 and 169 of the Data Protection Act 2018; or
2. Article 82 of Regulation (EU) 2016/679 (General Data Protection Regulation)

occurring in the course of the Business during the Period of Insurance provided that You have registered or applied to register with the Information Commissioner's Office and the application has not been refused or withdrawn.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence and in any one Period of Insurance is £250,000.

The indemnity provided by this Insuring Clause will not apply to:

1. liability Connected With a deliberate act or omission by You the result of which could reasonably have been expected by You, having regard to the nature and circumstances of such act or omission;
2. liability for distress or loss of personal data unless also involving Injury;
3. the costs of rectifying rewriting or erasing data;
4. liability Connected With the recording, processing or provision of data for reward or to determine the financial status of a person;
5. liability to an Employee;
6. liability which is covered by another insurance policy;
7. Information Commissioner's Office or Data Subject Access Request investigation costs; or
8. the payment of fines or penalties.

Defective Premises Act

We shall pay for all sums which You are legally liable to pay as damages for Injury or Damage to Property under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975.

We shall not pay for liability:

1. incurred before You have disposed of the Premises;
2. Connected With defective workmanship;
3. for the costs of remedying a defect or alleged defect in the Premises disposed of by You; or
4. covered by another insurance policy.

Employee and Visitor Belongings

Notwithstanding the Custody and Control Exclusion We shall pay for all sums which You are legally liable to pay as damages for Damage to Your visitors' or Employees' vehicles or personal belongings which are in Your custody or control.

We shall not pay for liability Connected With Property that is:

Liability

1. loaned, leased, hired or rented to You;
2. stored for a fee or other consideration; or
3. in Your custody or control for the purposes of being worked upon.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence in any one Period of Insurance is £5,000.

Leased or Rented Premises

Notwithstanding the Custody and Control Exclusion We shall pay for all sums which You are legally liable to pay as damages for Damage to premises (including fixtures and fittings) within the Territorial Limits which are hired, rented or loaned to You in connection with the Business.

We shall not pay for liability:

1. comprising the first £250 for Damage caused other than by fire or explosion;
2. imposed on You solely by reason of the terms of a hiring or renting agreement;
3. Connected With fire or any other peril against which a hiring or renting agreement specifies that insurance is taken out by You; or
4. Caused By the illegal activities of persons lawfully on Your Premises.

Overseas Personal Liability

We shall pay You and, at Your request, Your directors, partners and Employees for legal liability incurred in a personal capacity whilst temporarily outside the Territorial Limits in connection with the Business.

We shall not pay for liability:

1. incurred in the United States of America or Canada;
2. Connected With the ownership or occupation of land or buildings; or
3. covered by another insurance policy.

Terrorism

Notwithstanding the General Exclusion for Terrorism, this Section will cover Injury Caused By Terrorism.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence is £2,000,000 or the Indemnity Limit, whichever is the lesser.

Property Owners Liability: Exclusions

We shall not pay for liability Connected With or comprising any of the following.

Aircraft, Watercraft and Mechanically Propelled Vehicles

The ownership possession or use by You or on Your behalf of:

1. aircraft, spacecraft, aerial device or hovercraft;
2. waterborne vessels other than hand propelled watercraft not exceeding 20 feet in length; or
3. motor vehicles, trailers or plant in circumstances where compulsory insurance or security is required by road traffic legislation, other than the loading or unloading of any such vehicle, trailer or plant where indemnity is not provided by another insurance policy.

Liability

Contractual Liability

Liability solely due to a contract or agreement unless such liability would have attached in the absence of such contract or agreement.

Custody and Control

Damage to Property:

1. belonging to or held on trust for You or another party carrying out work on Your behalf;
2. leased, let, rented, hired or lent to You or which is the subject of a bailment to You; or
3. required to be insured in joint names under the terms of a contract.

Defects in Land

The cost of remedying a defect or alleged defect in land or premises sold or disposed of by You or for reduction in its value.

Employees

Injury to an Employee.

Financial Loss

Pecuniary loss which is not Caused By Injury or Damage.

Overseas Subsidiaries, Branches and Representatives

Claims brought against You in any country outside the Territorial Limits in which:

1. an associated or subsidiary company of Yours; and/or
2. a branch office or representative of Yours with power of attorney

is registered, located or resident, unless We have given Our prior agreement in writing.

Pollution

Pollution occurring:

1. in the United States of America or Canada;
2. elsewhere unless Caused By a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

Provided that for liability for which indemnity is not excluded above, all Pollution which arises out of one incident will be deemed to have occurred at the time such incident takes place.

The maximum We shall pay for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence and in any one Period of Insurance is the Indemnity Limit.

Products Supplied

Products Supplied after they 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.

Professional Advice and Services

Professional advice, instruction, consultancy, design, formula, specification, inspection, certification, testing or treatment performed or provided by You or on Your behalf for a fee or in circumstances where a fee would normally be charged.

Property Being Worked Upon

Loss of, Damage to or the cost of refund for that part of Property upon which You are or have been working where the loss, Damage or cost of refund is the direct result of such work.

Legal Expenses

This Section is only operative if shown as Insured in the Schedule.

ARAG Legal Expenses Insurance Company Limited (ARAG) is the underwriter and provides the insurance for this Section. To make sure that You get the most from your ARAG cover, please take time to read this Section, which explains the insurance cover available to You. Please follow the procedures throughout Your Policy and in particular those applying to insured incident **Employment disputes and compensation awards**.

If You wish to speak to Us about:

- Legal Advice: You can get telephone legal advice on any legal issue affecting Your Business.
- Insurance Claims: You can report a claim 24/7.
- Tax Advice: dedicated tax advisers can provide advice on tax issues affecting Your Business.

Please phone us on **0370 755 3111**. We will ask You about Your legal issue and if necessary call You back to deal with Your query.

- Crisis Containment: You can get assistance 24/7. Please phone Us on **0344 893 9314**.

Legal Expenses: Our Agreement

We agree to provide the insurance described in this Section for You (or where specified, the Insured Person) in respect of any insured incident arising in connection with the Business, in return for payment of the premium and subject to the terms, conditions, exclusions and limitations set out in Your Policy, provided that:

1. Reasonable Prospects exist for the duration of the claim
2. the Date of Occurrence of the insured incident is during the Period of Insurance, or
3. during the currency of a previous equivalent legal expenses insurance Policy, provided that:
 - a. the previous legal expenses insurance Policy required You to report claims during its currency
 - b. You could not have notified a claim previously as You could not have reasonably been aware of the insured incident
 - c. cover has been continuously maintained in force
 - d. any claim that should have been covered under a previously operative legal expenses insurance Policy will not be covered by Us, and
 - e. the available indemnity limit shall be limited to the lesser of the sums payable under this or Your previous Policy
4. any legal proceedings will be dealt with by a court, or other body which We agree to, within the Countries Covered, by
 - a. a court; or
 - b. employment tribunal or employment appeal tribunal; or
 - c. arbitration where parties to a dispute appoint an arbitrator to determine the evidence and issue a decision which is recognised by and enforceable through a court; or
 - d. the Equality and Human Rights Commission, Equality Commission for Northern Ireland; or
 - e. any other body which replaces any of the above or which We agree to, and
5. the insured incident happens within the Countries Covered.

Legal Expenses: What We Will Pay

We will pay an Appointed Representative, on Your behalf, Costs and Expenses incurred following an insured incident, and any compensation awards that We have agreed to, provided that:

1. the most We will pay in respect of all claims resulting from one or more event arising at the same time or from the same originating cause, for Costs and Expenses and compensation awards claims, is £500,000
2. the most We will pay for the total of all compensation awards under insured incident **Employment disputes and compensation awards 2. Compensation awards** in any one Period of Insurance shall not exceed £1,000,000

3. the most We will pay in Costs and Expenses is no more than the amount We would have paid to a Preferred Law Firm or tax consultancy. The amount We will pay a law firm (where acting on Your behalf) is currently £100 per hour. This amount may vary from time to time
4. in respect of an appeal or the defence of an appeal, You must tell us as soon as possible and within the statutory time limits allowed that You want to appeal. Before We pay the Costs and Expenses for appeals, We must agree that Reasonable Prospects exist
5. for an enforcement of judgment to recover money and interest due to You after a successful claim under this Section, We must agree that Reasonable Prospects exist
6. where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most We will pay in Costs and Expenses is the value of the likely award
7. in respect of insured incident **Legal defence 6. Jury service and court attendance**, the maximum We will pay is the Insured Person's net salary or wages for the time that the Insured Person is attending court or tribunal, less any amount You, the court or tribunal pays
8. in respect of insured incident **Crisis containment** the maximum We will pay in respect of all claims resulting from one or more event arising at the same time, or from the same originating cause, is £25,000
9. in relation to insured incident **Let Property Disputes**, We will pay Your:
 - Hotel Expenses
 - Storage Costs
 - Costs and Expenses, including Costs and Expenses to make or defend and appeal provided that:
 - (a) You tell Us within the time limits allowed that You want to appeal; and
 - (b) We agree that Reasonable Prospects exist

Legal Expenses: What We Will Not Pay

1. In the event of a claim, if You decide not to use the services of a Preferred Law Firm or tax consultancy, You will be responsible for any costs that fall outside the ARAG Standard Terms of Appointment and these will not be paid by Us.
2. If You are registered for VAT, We will not pay the VAT element of any Costs and Expenses.

Legal Expenses: Definitions

The following definitions apply to this Section and shall keep the same meaning wherever they appear in this Section. They should also be read in conjunction with the general definitions of Your Policy. If there is a conflict between a definition in this Section and a definition elsewhere in Your Policy, the definition in this Section will apply.

Appointed Representative

The Preferred Law Firm, law firm, tax consultancy, accountant or other suitably qualified person We appoint to act on the Insured Person's behalf.

ARAG Standard Terms of Appointment

The terms and conditions (including the amount We will pay to an Appointed Representative) that apply to the relevant type of claim, which could include a conditional fee agreement (no-win, no-fee). Where a law firm is acting on Your behalf, the amount We will pay is currently £100 per hour. This amount may vary from time to time.

Costs and Expenses

1. All reasonable, proportionate and necessary costs chargeable by the Appointed Representative and agreed by Us in accordance with the ARAG Standard Terms of Appointment.
2. The costs incurred by opponents in civil cases if an Insured Person has been ordered to pay them or the Insured Person pays them with Our agreement.

Countries Covered

1. For insured incidents **Legal defence** (excluding **5. Statutory notice appeals** and **7. Disciplinary hearings**), **Contract disputes**, **Debt recovery**, and **Personal injury**: The United Kingdom of Great Britain and Northern Ireland, the European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia and Herzegovina, Gibraltar, Iceland, Liechtenstein, Monaco, Montenegro, North Macedonia, Norway, San Marino, Serbia, Switzerland and Turkey.
2. For all other insured incidents: The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, and the Channel Islands.

Date of Occurrence

1. For civil cases (other than as specified under 3. to 8. below), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the Date of Occurrence is the date of the first of these events. (This is the date the event happened, which may be before the date You or an Insured Person first became aware of it.)
2. For criminal cases, the date the Insured Person began, or is alleged to have begun, to break the law.
3. For insured incident **Legal defence 5. Statutory notice appeals**, the date when the Insured Person is issued with the relevant notice and has the right to appeal.
4. For insured incident **Legal defence 7. Disciplinary hearings**, the date the Insured Person first became aware of the formal investigation or disciplinary hearing against them.
5. For insured incident **Statutory licence appeal**, the date when You first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel your licence, mandatory registration or British Standard Certificate of Registration.
6. For insured incident **Tax protection**, the date when HM Revenue & Customs, or the relevant authority, first notifies You of its intention to carry out an enquiry. For VAT or Employer Compliance Disputes, the date the dispute arises during the Period of Insurance following the issue of an assessment, written decision or notice of a civil penalty.
7. For insured incident **Crisis containment**, the date the negative publicity relating to Your Business first occurred.
8. For insured incident **Employment restrictive covenants**, the date You first became aware (or should reasonably have been aware), of the breach or prospective breach of covenant (whichever is first).

Employer Compliance Dispute

A dispute with HM Revenue & Customs concerning Your compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

Hotel Expenses

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

Insured Person

1. You and the directors, partners, managers, Employees and any other individuals declared to Us by You.
2. A person contracted to work for You who works for You on the same basis as Your Employees, and performs that work under Your supervision and direction.

Let Property

The property or properties which are owned by You or are Your responsibility and let by You to a tenant under a tenancy agreement which is in writing, properly executed and containing an enforceable forfeiture clause.

PR Crisis

Negative publicity in local, regional or national media (print, online, television or radio), or negative social media comment, which requires managing to protect Your Business' reputation.

Preferred Law Firm

A law firm, barrister or tax expert We choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the Insured Person's claim and must comply with Our agreed service standard levels, which We audit regularly. They are appointed according to the ARAG Standard Terms of Appointment.

Reasonable Prospects

1. For civil cases (other than insured incident **Crisis containment**), the prospects that the Insured Person will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that We have agreed to, including an enforcement of judgment) or make a successful defence, must be at least 51%. A Preferred Law Firm or tax consultancy on Our behalf, will assess whether there are Reasonable Prospects.
2. For criminal cases, and insured incident **Crisis containment**, there is no requirement for there to be prospects of a successful outcome.
3. For civil and criminal appeals the prospects of a successful outcome must be at least 51%.

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 Let Property.

Tax Enquiry

A written notice of enquiry, issued by HM Revenue & Customs, to carry out an Income Tax or Corporation Tax compliance check which either:

1. includes a request to examine any aspect of Your books and records; or
2. advises of a check of Your whole tax return.

VAT Dispute

A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to Your VAT affairs.

Legal Expenses: Insured Incidents

Employment disputes and compensation awards

1. Employment disputes

What is covered:

Costs and Expenses to defend Your legal rights:

1. before the issue of legal proceedings in a court or tribunal
 - a. following the dismissal of an employee; or
 - b. where an employee or ex-employee has contacted ACAS ('Advisory, Conciliation and Arbitration Service') to commence the Early Conciliation procedure; or
2. in unfair dismissal disputes under the ACAS Arbitration Scheme; or
3. in legal proceedings in respect of any dispute relating to:
 - a. a contract of employment with You; or
 - b. an alleged breach of the statutory rights of an employee, ex-employee or prospective employee under employment legislation.

What is not covered:

A claim relating to the following:

1. unless equivalent legal expenses insurance was continuously in force before:
 - a. any dispute where the originating cause of action arises within the first 90 days of the start of this Section;

- b. any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of this Section, if the date of occurrence was within the first 180 days of the start of this Section and the dispute relates directly to the same matter(s) which gave rise to that warning;
 - c. any notice of redundancy or alleged redundancy or unfair selection for redundancy which occurs within the first 180 days of the start of this Section
2. employee internal disciplinary or grievance procedures
3. damages for personal injury
4. Transfer of Undertakings Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations
5. pursuing Your legal rights.

2. Compensation awards

What is covered:

In respect of a claim We have accepted under insured incident **Employment disputes and compensation awards 1.**

Employment disputes We will pay:

1. any basic and compensatory award; and or
2. an order for compensation or damages following a breach of Your statutory duties under employment legislation.

Provided that:

1. in cases relating to performance and or conduct, You have throughout the employment dispute either:
 - a. followed the ACAS Code of Practice on Disciplinary and Grievance Procedures; 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 (telephone 0370 755 3111)
2. for an order of compensation following Your breach of statutory duty under employment legislation, You have at all times sought and followed advice from Our legal advice service since the date when You should have known about the employment dispute (telephone 0370 755 3111)
3. for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, You have sought and followed advice from Our legal advice service before starting any redundancy process or procedure with employees (telephone 0370 755 3111)
4. any sum of money in settlement of a dispute is awarded by a court, tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by default, or is payable under settlement approved in writing in advance by Us.

Please note that the total amount payable by Us for all compensation awards and sums of money in settlement of a dispute, in aggregate and in any one Period of Insurance is £1,000,000.

What is not covered:

A claim relating to the following:

1. Any compensation award relating to the following:
 - a. trade union activities, trade union membership or non-membership;
 - b. pregnancy or maternity rights, paternity, parental or adoption 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.
2. Non-payment of money due under a contract.
3. Any award ordered because You have failed to provide relevant records to employees under National Minimum Wage legislation.
4. A compensation award or increase in a compensation award relating to failure to comply with a current or previous recommendation made by a tribunal.
5. A settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.

3. Employee civil legal defence

What is covered:

Costs and Expenses to defend the Insured Person's (other than Your) legal rights if:

1. an event arising from their work leads to civil action being taken against them under legislation for unlawful discrimination; or
2. civil action is being taken against them as trustee of a pension fund set up for the benefit of Your Employees.

Please note that We will only provide cover for an Insured Person (other than You) at Your request.

4. Service occupancy

What is covered:

Costs and Expenses to recover possession of premises owned by You, or for which You are responsible, from Your employee or ex-employee.

What is not covered:

Any claim relating to defending Your legal rights, other than defending a counter-claim that is an insured incident under this Section.

Legal defence

For each of the following sections of **Legal defence** cover 1. to 7. below, You must request Us to provide cover for the Insured Person:

1. Criminal pre-proceedings cover

What is covered:

Costs and Expenses to defend the Insured Person's legal rights prior to the issue of legal proceedings, when dealing with the Police or other body with criminal investigatory powers, where it is alleged that the Insured Person has or may have committed a criminal offence.

Provided that:

1. for claims relating to the Health and Safety at Work etc Act 1974, the Countries Covered shall be any place where the Act applies.

Please note that We will only cover criminal investigations and or prosecutions which arise in direct connection with the activities of the Business shown in Your Policy Schedule. Please see Legal Expenses Section: Our Agreement.

What is not covered:

A claim relating to the following:

1. any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs
2. investigations due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

2. Criminal prosecution defence

What is covered:

Costs and Expenses to defend the Insured Person's legal rights following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction.

Provided that:

1. for claims relating to the Health and Safety at Work etc Act 1974, the Countries Covered shall be any place where the Act applies.

Please note that We will only cover criminal investigations and or prosecutions which arise in direct connection with the activities of the Business shown in Your Policy Schedule. Please see Legal Expenses Section: Our Agreement.

What is not covered:

A claim relating to prosecution due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

3. Data protection**What is covered:**

Costs and Expenses to defend the Insured Person's legal rights if civil action is taken against the Insured Person for compensation under data protection legislation, when handling personal data in their capacity as a data controller and or a data processor by:

1. An individual. We will also pay any compensation award in respect of such a claim.
2. Another data controller and or data processor, which arises out of, or relates to, a claim made by an individual for compensation against that data controller and or data processor. Please note that We will not pay any compensation award in respect of such a claim.

Provided that:

1. in respect of insured incident **Legal defence 3. Data protection** (a), any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in advance by Us.

Please note that We will not cover the cost of fines imposed by the Information Commissioner, or any other regulatory and or criminal body. Please see Legal Expenses Section: Exclusions 3. Court awards and fines.

What is not covered:

A claim relating to the following:

1. the loss, alteration, corruption or distortion of, or damage to stored personal data, or
2. a reduction in the functionality, availability, or operation of stored personal data

where either 1. or 2. above have resulted from hacking (unauthorised access), malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code, computer virus or similar mechanism.

4. Wrongful arrest**What is covered:**

Costs and Expenses to defend the Insured Person's legal rights if civil action is taken against the Insured Person for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.

5. Statutory notice appeals**What is covered:**

Costs and Expenses to defend the Insured Person's legal rights in an appeal against the imposition or terms of any statutory notice issued under legislation affecting Your Business.

What is not covered:

A claim relating to the following:

1. an appeal against the imposition or terms of any statutory notice issued in connection with Your licence, mandatory registration or British Standard Certificate of Registration (please refer to insured incident **Statutory licence appeal**)
2. a statutory notice issued by an Insured Person's regulatory or governing body.

6. Jury service and court attendance

What is covered:

An Insured Person's absence from work:

1. to perform jury service
2. to attend any court, tribunal or at the request of the Appointed Representative in relation to a claim that is an insured incident under this policy.

The maximum We will pay is the Insured Person's net salary or wages for the time that they are absent from work less any amount You, the court or tribunal, have paid them.

We will reimburse You for net salary or wages that You have paid the Insured Person for that time, less any amount they have been paid by, or can recover from, the court or tribunal.

What is not covered:

Any claim if You or the Insured Person are unable to prove the loss.

7. Disciplinary hearings

What is covered:

Costs and Expenses to defend the Insured Person's legal rights if an event results in a disciplinary case brought against the Insured Person by the relevant authority.

Statutory licence appeal

What is covered:

Costs and Expenses for an appeal to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel Your licence, mandatory registration or British Standard Certificate of Registration.

What is not covered:

A claim relating to the following:

1. the original application or renewal application of a statutory licence, mandatory registration or British Standard Certificate of Registration
2. the ownership, driving or use of a motor vehicle.

Contract disputes

What is covered:

Costs and Expenses for a contractual dispute arising from an agreement or an alleged agreement which has been entered into by You or on Your behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

1. the amount in dispute exceeds £200 (including VAT)
2. if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £200 (including VAT)
3. if the dispute relates to money owed to You, a claim under Your Policy is made within 90 days of the money becoming due and payable.

What is not covered:

A claim relating to the following:

1. a dispute arising from an agreement entered into prior to the start of this Section if the Date of Occurrence is within the first 90 days of the start of this Section, unless equivalent legal expenses insurance was in force immediately before

2.
 - a. a dispute relating to an insurance Policy, other than when Your insurer refuses Your claim
 - b. a lease, licence, or tenancy of land or buildings, or the sale or purchase of land or buildings. However, We will cover a dispute with a professional adviser in connection with these matters
 - c. a loan, mortgage, pension, guarantee or any other financial product. However, We will cover a dispute with a professional adviser in connection with these matters
3. a dispute with an Employee or ex-Employee which arises out of, or relates to, a contract of employment with You. (Please refer to insured incident **Employment disputes and compensation awards.**)
4. a dispute which arises out of the:
 - a. sale or provision of computer hardware, software, systems or services; or
 - b. the purchase or hire of computer hardware, software, systems or services tailored by a supplier to Your own specification
5. the recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists

Debt recovery

What is covered:

Costs and Expenses for a dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgments.

Provided that:

1. the debt exceeds £200 (including VAT)
2. a claim is made within 90 days of the money becoming due and payable
3. We have the right to select the method of enforcement, or to forego enforcing judgment if We are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

What is not covered:

A claim relating to the following:

1. any debt arising from an agreement entered into prior to the start of the Section if the debt is due within the first 90 days of the start of this Section, unless equivalent legal expenses insurance was in force immediately before
2.
 - a. the settlement payable under an insurance Policy
 - b. a lease, licence, or tenancy of land or buildings, or the sale or purchase of land or buildings
 - c. a loan, mortgage, pension, guarantee or any other financial product. However, We will cover a dispute with a professional adviser in connection with these matters
3. a dispute which arises out of the supply, hire, sale or provision of computer hardware, software, systems or services
4. the recovery of money and interest due from another party where the other party indicates that a defence exists
5. any dispute which arises from debts You have purchased from a third party.

Property protection

What is covered:

Costs and Expenses for a civil dispute relating to physical property which is owned by You, or is Your responsibility following:

1. any event which causes physical damage to such physical property; or
2. a legal nuisance; or
3. a trespass.

Please note that You must have, or there must be reasonable prospects of establishing You have, the legal ownership or right to the physical property that is the subject of the dispute.

What is not covered:

A claim relating to the following:

1. a contract You have entered into (please refer to insured incident Contract disputes)
2. physical property which is in transit or which is lent or hired out
3. physical property at premises other than those occupied by You unless the physical property are at the premises for the purpose of installations or use in work to be carried out by You
4. defending Your legal rights but We will cover defending a counter-claim that is an insured incident under this Section
5. a motor vehicle owned or used by, or hired or leased to an Insured Person (other than damage to motor vehicles where You are in the business of selling motor vehicles).

Personal injury**What is covered:**

At Your request, Costs and Expenses for an Insured Person's and their family members' legal rights following a specific or sudden accident that causes the death of, or bodily injury to them.

What is not covered:

A claim relating to the following:

1. any illness or bodily injury that happens gradually
2. psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical bodily injury
3. defending an Insured Person's or their family members' legal rights other than in defending a counter-claim
4. clinical negligence or the failure or alleged failure to correctly diagnose an Insured Person's or their family members' condition.

Tax protection**What is covered:**

Costs and Expenses for:

1. A Tax Enquiry
2. An Employer Compliance Dispute
3. A VAT Dispute.

Provided that:

1. You have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

Please note that We will only cover tax claims which arise in direct connection with the activities of the Business shown in Your Policy Schedule. Please see Legal Expenses Section: Our Agreement.

What is not covered:

A claim relating to the following:

1. a tax avoidance scheme
2. any failure to register for Value Added Tax or Pay As You Earn
3. any investigation or enquiries or prosecution relating to suspected or alleged dishonesty or suspected or alleged criminal offences
4. any claim relating to import or excise duties and import VAT.

Tenancy disputes

What is covered:

Costs and Expenses for a civil dispute between You and Your landlord, relating to premises leased or rented by You.

What is not covered:

A claim relating to the following:

1. the negotiation, review or renewal of the lease or tenancy agreement
2. a dispute arising from rent or service charges.

Crisis containment

What is covered:

Costs and Expenses in the event of a PR Crisis:

1. We will provide advice and guidance over the phone about Your PR Crisis. Please call Us on 0344 893 9314 (open 24 hours a day, seven days a week).
2. following a call to Us, if You and We agree that additional help is required to manage Your PR Crisis, We will provide appropriate assistance which may include specialist legal and public relations support.

Provided that:

1. We will not pay more than £25,000 for any claim in respect of a PR Crisis
2. You have sought and followed advice from Us.

What is not covered:

A claim relating to the following:

1. any claim that could reasonably be dealt with through Your customer service or standard complaints procedures
2. any PR Crisis related to or arising from an event affecting the whole profession or industry.

Employment restrictive covenants

1. Pursuit of a breach of covenant

What is covered:

Costs and Expenses to pursue a civil action against an employee or ex-employee where they are in breach, or are about to be in breach, of a covenant which restricts them:

1. from providing services to or soliciting Your customers; or
2. enticing other employees to leave Your employment.

Provided that:

1. the restrictive covenant(s) is expressly incorporated within the employee's or ex-employee's contract of employment with You
2. the employee or ex-employee has signed their contract of employment
3. the restrictive covenant does not exceed 12 months
4. You have not breached the employee's or ex-employee's contract of employment

What is not covered:

A claim relating to the following:

1. any dispute where the Date of Occurrence arises within the first 90 days of the start of this Section, unless equivalent legal expenses insurance was in force immediately before
2. any claim relating to a restrictive covenant applying to an employee or ex-employee transferred to the Business under the Transfer of Undertakings Regulations 2006 (TUPE)
3. defending Your legal rights (please refer to insured incident **Employment restrictive covenants 2. Business defence**), other than the defence of a counter-claim that is an insured incident under this Section

2. Business defence

What is covered:

Costs and Expenses in a dispute between You and a third party business, where the third party alleges that You have breached their legal rights protected by an employment restrictive covenant contained within a contract of employment between the third party and their Employee or ex-Employee.

Provided that:

1. the Employee or ex-Employee is now Your Employee or prospective Employee.

What is not covered:

A claim relating to any covenant other than an employment restrictive covenant contained within a contract of employment between Your Employee or prospective Employee and their former or current employer.

Let Property Disputes

What is covered:

Costs and Expenses to pursue Your legal rights:

1. Tenancy Disputes

In a dispute with a tenant arising from a breach or alleged breach of the tenancy agreement which relates to the use or maintenance of the Let Property, excluding repossession, recovery of money and dilapidations (please refer to insured incidents **Let Property 2. Repossession, Let Property 3. Rent Recovery, and Let Property 4. Property Damage**).

2. Repossession

To obtain possession of the Let Property, provided that, where appropriate, all statutory and contractual notices have been correctly served by You on the tenant.

3. Rent Recovery

To recover money and interest due from a lease, licence or tenancy of the Let Property, including enforcement of judgment.

Provided that

1. the amount in dispute exceeds £250 (including VAT) and a claim is made within 90 days of the money becoming due and payable or, if it is rent that is owed, it must have been overdue for at least one calendar month
2. if You accept payment (or part payment) of any rent arrears from the tenant, You must provide proof You have warned the tenant this does not prevent You taking further action against them to recover monies owed
3. where the tenant is a limited company, You must have sought and followed advice from the Appointed Representative before accepting payment of rent arrears
4. the other party does not intimate that a defence exists (please refer to insured incident **Let Property 1. Tenancy Disputes**).

4. Property Damage

In a dispute relating to dilapidations to the Let Property.

Provided that

1. the amount in dispute exceeds £1,000
2. prior to the tenancy beginning, a detailed inventory, which notes the condition of all items on the inventory is prepared by You
3. after the tenant has vacated the Let Property, a detailed schedule of dilapidations is prepared by You.

5. Nuisance

In defending any allegation of nuisance arising from the Let Property used solely for residential purposes.

6. Eviction of Squatters

To evict anyone who is not Your tenant or ex-tenant from the Let Property and who has not got Your permission to be there.

Please note, for England, Wales and Scotland, squatting in a residential property is a criminal offence and therefore please contact the police in the first instance.

What is not covered:

A claim relating to the following:

1. Unless equivalent legal expenses insurance was continuously in force immediately before, any dispute where the originating cause of action arises within 90 days of the start of this cover
2. A dispute arising from or relating to:
 - a. the negotiation, review or renewal of the lease or tenancy agreement
 - b. any matter relating to service charges
 - c. rent, tax or building regulations or decisions or compulsory purchase orders or restrictions or controls placed on Your material property by any government or public or local authority
 - d. any claim relating to registering rents, reviewing rents, buying the freehold of the Let Property or any matter that relates to rent tribunals, the leasehold valuation tribunal, land tribunals or rent assessment committees
 - e. any planning application, review or decision
 - f. mining subsidence
3. Any claim relating to:
 - a. land or premises used for agricultural purposes
 - b. any arbitration or Agricultural Land Tribunal hearing relating to any dispute arising out of a contract of tenancy or lease regulated by the Agricultural Holdings Act 1986 or Agricultural Tenancies Act 1995 or at hearings of the Scottish Land Court relating to disputes arising out of a contract of tenancy or lease regulated by the Agricultural Holdings (Scotland) Act 1991 or Agricultural Holdings (Scotland) Act 2003 as amended under the terms of the tenancy or lease or as directed by statute

Legal Expenses: Exclusions

We will not pay for the following:

Late reported claims

Any claim where the Insured Person has failed to notify Us of the insured incident within a reasonable time of it happening and where this failure adversely affects the Reasonable Prospects of a claim or We consider Our position has been prejudiced.

Costs We have not agreed

Costs and Expenses incurred before Our expressed acceptance.

Court awards and fines

Fines, penalties, compensation or damages which the Insured Person is ordered to pay by a court or other authority, other than compensation awards covered under insured **incidents Employment disputes and compensation awards 2. Compensation awards**, and **Legal defence 3. Data protection**.

Legal action we have not agreed

Legal action an Insured Person takes which We or the Appointed Representative have not agreed to, or where the Insured Person does anything that hinders Us or the Appointed Representative.

Intellectual property rights

Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.

Wilful acts

Any wilful act or omission of an Insured Person deliberately intended to cause a claim under this Section.

Franchise or agency agreements

Any claim relating to rights under a franchise or agency agreement entered into by You.

A dispute with ARAG

Any claim under this Section for a dispute with Us. For disagreements with Us about the handling of a claim, refer to Legal Expenses Section: Conditions 8. Arbitration.

Shareholding or partnership disputes

Any claim relating to a shareholding or partnership share in the Business.

Judicial review, coroner's inquest or fatal accident inquiry

Costs and Expenses arising from or relating to judicial review, coroner's inquest or fatal accident inquiry.

Bankruptcy

Any claim where either at the start of, or during the course of a claim:

1. You are declared bankrupt
2. You have filed a bankruptcy petition
3. You have filed a winding-up petition
4. You have made an arrangement with your creditors
5. You have entered into a deed of arrangement
6. You are in liquidation
7. part or all of Your affairs or property are in the care or control of a receiver or administrator.

Defamation

Any defamation claim brought by or against You or an Insured Person.

Litigant in person

Any claim where an Insured Person is not represented by a law firm, barrister or tax expert.

Legal Expenses: Conditions

The following Conditions apply to this Section.

Your representation

1. On receiving a claim, if legal representation is necessary, We will appoint a Preferred Law Firm or tax consultancy as Your Appointed Representative to deal with Your claim. They will try to settle Your claim by negotiation without having to go to court.
2. If the appointed Preferred Law Firm or tax consultancy cannot negotiate settlement of Your claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then You may, if You prefer, choose a law firm or tax expert of Your own choice to act as the Appointed Representative. We will choose the Appointed Representative to represent You in any proceedings where We are liable to pay a compensation award.

3. If You choose a law firm as Your Appointed Representative who is not a Preferred Law Firm or tax consultancy, We will give Your choice of law firm the opportunity to act on the same terms as a Preferred Law Firm or tax consultancy. However if they refuse to act on this basis, the most We will pay is the amount We would have paid if they had agreed to the ARAG Standard Terms of Appointment. The amount We will pay a law firm (where acting on Your behalf) is currently £100 per hour. This amount may vary from time to time.
4. The Appointed Representative must co-operate with Us at all times and must keep Us up to date with the progress of the claim.

An Insured Person's responsibilities

1. An Insured Person must co-operate fully with Us and the Appointed Representative.
2. An Insured Person must give the Appointed Representative any instructions that We ask them to.

Offers to settle a claim

1. An Insured Person must tell Us if anyone offers to settle a claim and must not negotiate or agree to any settlement without Our expressed consent.
2. If an Insured Person does not accept a reasonable offer to settle a claim, We will not pay further Costs and Expenses.
3. We may decide to pay an Insured Person the reasonable value of the claim that the Insured Person is claiming or is being claimed against them, instead of starting or continuing legal action. In these circumstances an Insured Person must allow Us to take over and pursue or settle a claim in their name. An Insured Person must allow Us to pursue at Our own expense and for Our benefit, any claim for compensation against any other person and an Insured Person must give Us all the information and help We need to do so.

Assessing and recovering costs

1. An Insured Person must instruct the Appointed Representative to have Costs and Expenses taxed, assessed or audited if We ask for this.
2. An Insured Person must take every step to recover Costs and Expenses and court attendance and jury service expenses that We have to pay and must pay Us any amounts that are recovered.

Cancelling an appointed representative's appointment

1. If the Appointed Representative refuses to continue acting for an Insured Person with good reason, or if an Insured Person dismisses the Appointed Representative without good reason, the cover We provide will end at once, unless We agree to appoint another Appointed Representative.

Withdrawing cover

1. If an Insured Person settles a claim or withdraws their claim without Our agreement, or does not give suitable instructions to the Appointed Representative, We can withdraw cover and will be entitled to reclaim any Costs and Expenses We have paid.
2. If during the course of a claim Reasonable Prospects no longer exist, the cover We provide will end at once. We will pay any Costs and Expenses and compensation awards We have agreed to, up to the date cover was withdrawn.

Expert opinion

If there is a disagreement between an Insured Person and Us on the merits of the claim or proceedings, or on a legal principle, We may suggest the Insured Person obtains, at their own expense, an opinion on the matter from an independent and appropriate expert. The expert must be approved in advance by Us and the cost expressly agreed in writing between the Insured Person and Us. Subject to this, We will pay the cost of getting the opinion, if the expert's opinion indicates that it is more likely than not that the Insured Person will recover damages (or obtain

any other legal remedy that We have agreed to) or make a successful defence. This does not affect the Insured Person's rights under Legal Expenses Section: Conditions 8. Arbitration.

Arbitration

If there is a disagreement about the handling of a claim and it is not resolved through Our internal complaints procedure the Financial Ombudsman Service may be able to help. This is a free complaint resolution service for eligible complaints. (Details available from www.financial-ombudsman.org.uk)

Alternatively, there is a separate arbitration process available. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, We will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the parties or one party may pay all the costs.

Fraudulent claims

We will, at Our discretion, void the policy (make it invalid) from the date of claim, or alleged claim, and/or We will not pay the claim if:

1. a claim the Insured Person has made to obtain benefit under this Section is fraudulent or intentionally exaggerated, or
2. a false declaration or statement is made in support of a claim.

Keeping to Your Policy terms

An Insured Person must:

1. Keep to the terms and conditions of Your Policy
2. Take reasonable steps to avoid and prevent claims
3. Take reasonable steps to avoid incurring unnecessary costs
4. Send everything We ask for, in writing, and
5. Report to Us full and factual details of any claim as soon as possible and give Us any information We need.

Law that applies

This Section is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where Your Business is registered. Otherwise the law of England and Wales applies.

All Acts of Parliament mentioned in this Section include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

Other insurances

If any claim covered under this Section is also covered by another policy, or would have been covered if this Section did not exist, We will only pay Our share of the claim even if the other insurer refuses the claim.

Helplines and Online Tools

Under the Legal Expenses Section, Your Policy includes access to the following helplines and online tools from ARAG Legal Expenses Insurance Company Limited (ARAG).

You can contact ARAG's UK-based call centre 24 hours a day, seven days a week during the Period of Insurance. However, they may need to arrange to call You back, depending on the enquiry. To help ARAG check and improve their service standards, they may record all calls.

When phoning, please quote Your ARAG policy number TS5/5124778.

ARAG will not accept responsibility if the helpline services are unavailable for reasons they cannot control.

Legal Advice Helpline - 0370 755 3111

Advice can be provided on any commercial legal problem affecting Your Business under the laws of the United Kingdom of Great Britain and Northern Ireland, any European Union country, the Isle of Man, the Channel Islands, Switzerland and Norway.

Wherever possible, the Legal Advice helpline aims to provide immediate advice from a qualified legal adviser. However, if this is not possible they will arrange to call You back at a time to suit You.

Advice on the laws of England and Wales can be provided 24 hours a day, 365 days a year. Beyond this jurisdiction, or for very specialist legal matters, ARAG will refer You to one of their specialist advisers.

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

Tax Advice Helpline - 0370 755 3111

Advice can be provided on any tax matters affecting the Business, under UK law.

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

Counselling Helpline - 0117 934 2121

ARAG will provide the Insured Person (and any members of their immediate family who permanently live with them) with a confidential counselling service over the phone if they are aged 18 or over (or aged between 16 and 18 and in full-time employment). This includes, where appropriate, onward referral to relevant voluntary and or professional services. Any costs arising from the use of these referral services will not be paid by ARAG.

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

Employment Manual - Visit www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/

The ARAG Employment Manual offers comprehensive, up to date guidance on employment law.

To view it, please visit www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/

If You'd like notifications of when updates are made to the Employment Manual, please email ARAG at employmentmanual@arag.co.uk quoting Your ARAG policy number **TS5/5124778**.

ARAGBusinesslaw - Visit www.aragbusinesslaw.co.uk

ARAG Businesslaw contains a range of regularly updated business and legal guides, document builders, interactive checklists and videos that can help You with the day-to-day running of Your Business, including comprehensive, current guidance on employment law, as well as helping You to manage Your exposure to legal risk.

ARAG Businesslaw's document builders can help You quickly create documents such as:

1. HR policies
2. T&C documentation
3. Privacy statements
4. Copyright and trademark licences
5. Data protection policy
6. Employee contracts
7. Debt recovery letters

In addition, ARAG Businesslaw contains hundreds of regularly updated expert guides and videos on topics such as branding, crowdfunding, financial and tax planning, and marketing strategy to help build and grow Your Business.

How do I get started?

1. Visit www.aragbusinesslaw.co.uk
2. Select “Register for ARAG Businesslaw”.
3. Enter **DASBARC100** into the ‘voucher code’ text box and press Validate Voucher.
4. Fill out Your name and email address, create a password, and specify what type of Business You have.
5. Validate Your email address by pressing the link in the confirmation email that You receive.

Terrorism

This Section is only operative for when shown as Insured in the Schedule.

Terrorism: Definitions

The following Definitions apply to the Terrorism Section only. They should be read in conjunction with the General Definitions at the start of the Policy. If there is a conflict between a definition in this Section and a definition elsewhere in Your Policy, the definition in this Section will apply.

Damage/Damaged

A loss or destruction of or physical change to Property, adversely affecting its use or value and requiring the Property to be replaced, reinstated or repaired. Not including changes:

1. which may be addressed by routine cleaning, sanitisation, servicing or maintenance; or
2. comprising a defect inherent in Property.

Occurrence

A loss or series of losses Caused By an act of Terrorism, for the same purpose or cause, sustained by You during any period of 72 consecutive hours.

No period of 72 consecutive hours may extend beyond the Period of Insurance unless You first sustain Damage by Terrorism during the Period of Insurance and within the said 72 consecutive hours, nor shall any period of 72 consecutive hours commence prior to the Period of Insurance.

Property Insured

As defined in the Property Section.

Terrorism

An act or series of acts including the use of force or violence and actual or attempted Sabotage, of a person or group of persons, whether acting alone or in connection with an organisation, committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear.

Terrorism: Insuring Clause

We shall pay for:

1. Damage to Property Insured (as defined in the Property Section) Caused By an Occurrence of Terrorism;
2. loss of Rental Income (as defined in the Rental Income Section) arising solely and directly from Damage Caused By an Occurrence of Terrorism to Property at the Premises for the purpose of the Business;
3. Damage to Property Insured and/or loss of Rental Income Caused By an Occurrence of a Terrorism Extension Event

provided that the Occurrence of Terrorism takes place during the Period of Insurance and within the Territorial Limits.

We shall settle claims consistently with the terms of the Property and Rental Income Sections of the Policy, as appropriate, and Our liability for Damage to Property and loss of Rental Income shall not exceed:

1. the relevant Sum Insured on each item; or

2. any other maximum amount payable or limit of liability specified in any operative extension, other than:
 - a. Loss of Attraction;
 - b. Property Within One Mile of the Premises; and/or
 - c. Utilities

which are deemed not apply to this Section (as alternative extensions apply within this Section)

as specified under the Property and Rental Income Sections.

Terrorism: Extension Events

Subject to the terms of this Section, We shall also pay for loss occurring within the Territorial Limits during the Period of Insurance in the circumstances set out below.

Brand Rehabilitation

Following loss of Rental Income Caused By an Occurrence of Terrorism at or within 1 mile of the Premises, We shall pay the reasonable costs which You incur to hire a professional advertising and/or public relations consultant, for up to 60 days, solely to mitigate loss which is insured by this Section.

Our liability for the costs of professional advertising and public relations shall not exceed a maximum of 10% of the Sum Insured or £500,000, whichever is the lesser, such amount to form part of the Sum Insured for Rental Income.

Claims Preparation Costs

Definitions for this Extension.

Claim Preparation Costs

All fees, costs and expenses necessarily and reasonably incurred:

1. by You, or on Your behalf; and
2. with Our prior written agreement

for the preparation, presentation, certification, negotiation or verification of a Specified Claim.

Specified Claim

A claim:

1. in excess of £50,000; and
2. for which We have accepted liability.

Notwithstanding General Conditions: Claims Conditions – Your Obligations, We shall pay for Claim Preparation Costs provided that:

1. We shall have the right to review and audit all documentation relating to the costs;
2. the Claim Preparation Costs are not otherwise covered under the Policy;

Terrorism

3. Our total liability under this Extension Event shall not exceed:
 - a. the lesser of 10% of the value for any one Specified Claim or £50,000 for any one claim for Claim Preparation Costs; or
 - b. £100,000 for all claims for Claim Preparation Costs in total in any one Period of Insurance.

Court Attendance

We shall pay You reasonable costs and expenses which You incur, with Our prior written consent, to attend court or any tribunal, arbitration, adjudication, mediation or other hearing in connection with a claim under this Policy.

Our total liability under this Extension Event shall not exceed £50,000 in any one Period of Insurance.

Damage to Property of Telecommunications Supplier

We shall pay for loss of Rental Income Caused By Damage to the Property of Your Tenants' land-based telecommunications supplier Caused By an Occurrence of Terrorism, which causes a failure of supply to Your Premises. We shall not pay for interruption lasting less than 4 consecutive hours.

Our total liability under this Extension Event for all Occurrences in the Period of Insurance shall not exceed 10% of the Sum Insured or £2,500,000, whichever is the lesser.

Damage to Property of Utility Supplier

We shall pay for loss of Rental Income Caused By Damage to the Property of Your Tenants' electricity, gas or water supplier Caused By an Occurrence of Terrorism, which causes a failure of supply to Your Premises lasting more than 24 hours.

Our total liability under this Extension Event for all Occurrences in the Period of Insurance shall not exceed 10% of the Sum Insured or £2,500,000, whichever is the lesser.

Looting

We shall pay for Damage by looting to Property Insured at the Premises following an Occurrence of Terrorism during the Period of Insurance.

Loss of Attraction

We shall pay for loss of Rental Income Caused By:

1. an Occurrence of Terrorism within 1 mile of the Premises to a location that constitutes an attraction to the Business;

and which

2. causes a loss of custom to Your Tenants' business Caused By a reduction in customers visiting the area.

Our total liability for all losses under this Extension Event in any one Period of Insurance shall not exceed 20% of the Sum Insured or £1,000,000, whichever is the lesser.

We shall not pay for interruption lasting less than 48 consecutive hours.

Pollution and/or Contamination Clean Up

Notwithstanding the Exclusions for Land and Land Values, and Pollution, We shall pay for Damage to Property Insured Caused By Pollution if:

1. such Damage is Caused by an Occurrence of Terrorism during the Period of Insurance; and

Terrorism

2. the Property Insured contains chemical, biological, radiological or mineral agents which are stored or used in processes conducted on the Premises.

Where 1. and 2. above apply, We shall also pay for reasonable and necessary costs and expenses which You incur with Our prior consent for clean-up within the perimeter of the Premises.

Provided that:

1. on the date of loss there is no nuclear reactor or nuclear fuel on the Premises; and
2. You tell Us of any other loss, Damage, or Injury Caused by Pollution clean-up.

Our total liability under this Extension for all claims in one Period of Insurance will not exceed £2,500,000.

The reasonable and necessary clean-up costs and expenses shall not be considered in determining the value of the Property Insured.

Prevention of Access

We shall pay for loss of Rental Income Caused By an Occurrence of Terrorism within 1 mile of the Premises, which causes a competent civil or military authority to make an order preventing access to the Premises.

We shall not pay for loss:

1. Caused By a prevention of access which lasts less than 24 consecutive hours;
2. Caused By an order which compels Your Tenants' Business to cease operating at the Premises; or
3. comprising the costs of cleaning, repair, replacement, recall or checking of Property.

Our total liability for all losses under this Extension Event in any one Period of Insurance shall not exceed 20% of the Sum Insured or £2,500,000, whichever is the lesser.

Threat or Hoax

We shall pay for loss of Rental Income Caused by the threat or hoax of Terrorism affecting an area less than 2 square miles, which causes a competent civil or military authority to make an order which:

1. prevents access to the Premises;
2. requires evacuation of the Premises; or
3. requires an emergency lockdown of the Premises.

If the threat or hoax occurs at the Premises or is made directly to You or Your Tenant, We shall pay for loss which occurs without the order of an emergency service provided that You report the threat or hoax to an emergency service as soon as reasonably practicable and the emergency service confirms in writing that a report was made.

We shall not pay for interruption lasting less than 4 hours.

Our total liability for all losses under this Extension Event in any one Period of Insurance shall not exceed 20% of the Sum Insured or £1,000,000, whichever is the lesser.

Terrorism: Exclusions

We shall not pay for loss Connected With or comprising any of the following.

Chemical and Biological Emissions

Chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.

Confiscation, Seizure, Illegal Trade

Confiscation, nationalisation, requisition, detention, embargo, quarantine, seizure, legal or illegal occupation or the order of a public authority which deprives You of the use or value of Your Property, acts of contraband, illegal transportation or trade.

Cyber

Loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of an electromagnetic weapon.

This exclusion does not apply to loss Caused By the use of an electronic system to fire, launch or control a weapon or missile.

This exclusion is additional to the General Exclusion for Cyber.

Land and Land Values

Damage to land or reduction in the value of land.

Malicious Persons

Vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion.

Microorganisms

Bacteria, microorganism, mould, mildew, fungus, spores or virus.

Nuclear Risk

Nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.

Pollution

Seepage or discharge of pollutants or contaminants, including but not limited to solid, liquid, gaseous or thermal irritant, contaminants or toxic or hazardous substances or any substances the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

Prevention or Control of Terrorism

Measures taken to prevent, suppress or control actual or potential Terrorism.

Unexplained Loss

Mysterious disappearance or unexplained loss.

Weapons

Atomic, chemical, biological, bio-chemical, electromagnetic, fission, laser, radiological or thermonuclear weapons, or weapons of mass destruction.

How to Complain

If You have an enquiry about Your Policy please contact Your insurance agent/broker who arranged the Policy for You.

Our aim is to ensure that all aspects of Your insurance are dealt with promptly, efficiently and fairly. We are committed to providing the highest standard of service at all times.

If you have cause to make a complaint, you can do so at any time by following the steps outlined below.

How to make a complaint

You can contact Us at:

Email: complaints@archinsurance.com

Call: **0333 207 2268** (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

Post: Complaints Manager
Arch Insurance (UK) Limited
4th Floor, 10 Fenchurch Avenue
London EC3M 5BN

Or You can complete an online complaint form at:

<https://insurance.archgroup.com/divisions/international/consumer-complaint/>

For complaints relating to the Legal Expenses Section, including complaints relating to the helplines and online tools, please contact:

Email: customer-relations@arag.co.uk

Call: **0344 893 9013** (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

Post: Customer Relations Department
ARAG Legal Expenses Insurance Company Limited
Unit 4a, Greenway Court
Bedwas, Caerphilly CF83 8DW

Further information is available from ARAG at: www.arag.co.uk/complaints

If We have not resolved Your complaint

If We do not succeed in resolving your complaint, or if You have not received a final response, within **8 weeks** of the complaint being made, You may have the right to refer Your complaint to the **Financial Ombudsman Service (FOS)**. You must do this within six months of receiving Our final response letter.

Contact details for the Financial Ombudsman Service (FOS) are:

Call: **0800 023 4567** (calls to this number are free from “fixed lines” in the UK)

or **0300 123 9123** (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

Post: **The Financial Ombudsman Service**
Exchange Tower
London E14 9SR

Web: www.financial-ombudsman.org.uk/make-complaint

How to Complain

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the FOS at www.financial-ombudsman.org.uk.

Following this complaints procedure does not affect your right to take legal action.

Financial Services Compensation Scheme

Arch Insurance (UK) Limited and the Insurers of this Policy are covered by the Financial Services Compensation Scheme (FSCS).

If We are unable to meet Our obligations, You may be entitled to compensation from the scheme, depending on the type of insurance and the circumstances of the claim.

Call: **020 7741 4100 or 0800 678 1100** (calls to this number are free from “fixed lines” in the UK)

Further information is available from the FSCS at www.fscs.org.uk

Privacy Notices

Arch Privacy Notice

Arch Insurance (UK) Limited (“Arch”) is committed to safeguarding the privacy and security of all personal information held by Us. This notice explains who We are, the types of personal information We hold, how and why We use it, who We share it with, how long We keep it and Your data protection rights. Further details can be found within Our full privacy notice which is available on Our group website www.archgroup.com/privacy.

Who We are

Arch is part of the Arch Capital Group Ltd group of companies and is registered with the Information Commissioner’s Office, registration number Z2421416. Arch is the Data Controller of the information You provide to Us for the products and services We provide to You.

Further information about Arch can be found at Our website listed above.

What personal information we collect about You

We will collect personal information which may include Your name, telephone number, email address, postal address, occupation, date of birth, prior insurance history (including previous claims), details of the insurance product or service You wish to use and payment details (including bank account number and sort code). We may collect credit and anti-fraud information such as Your credit history.

We may also need to request and collect sensitive personal information about You, such as details of relevant criminal offences and convictions or Your medical history. We will only collect and process sensitive personal data where it is critical for the delivery of a product or service and without which the product or service cannot be provided.

How and why We use Your personal information

We will use Your personal information to:

- Provide quotations and set up Your policy.
- Manage Your policy and provide the products or services You have requested.
- Process claims, including the defence or prosecution of legal claims, and to investigate and prevent fraud.
- Develop new products and services.
- Undertake statistical analysis.

We may process Your personal information for the following reasons:

- For the purpose of managing Your insurance and any claims You make.
- It is necessary to meet the terms of an insurance contract with You or a third party on Your behalf.
- It is necessary to meet an obligation We have by law.
- It is in Our or a third party’s legitimate interest, such as to prevent and detect fraud, performing data analytics for risk modelling purposes and for any sale, merger or takeover of all or part of Arch.

How We collect Your personal information

We may collect information about You from various sources, including:

- You or a representative such as a family member, Your insurance agent/broker or employer.
- Other insurance companies or their representatives.
- Credit reference agencies.
- Anti-fraud databases or sanctions lists providers.
- Government agencies such as HM Revenue & Customs and the Driver and Vehicle Licensing Agency.
- Publicly available sources such as court judgments and electoral registers.
- Third-party service providers (such as a loss adjustor) or any third parties involved with a claim.

Who do We share Your personal information with?

We may share Your information with:

- Third parties who help Us deliver Our products and services to You. This can include claims handlers, loss adjustors, legal representatives and data-storage providers.
- Your insurance agent/broker.
- Other insurers and reinsurers.
- Credit reference bureaus and other financial firms involved in any financial payments.
- National anti-fraud databases and fraud prevention agencies including the Claims and Underwriting Exchange and the Motor Insurers Anti-Fraud and Theft Register.
- Auditors, regulators, police or law enforcement bodies and statutory or regulatory authorities, including but not limited to the Employer's Liability Tracing Office and the Motor Insurers' Bureau
- Companies within the Arch Capital Group Ltd group of companies to help deliver Our products and services.

When We use third parties to deliver Our products and services, Your personal information will only be used for the provision and administration of the services provided to You. We require third parties to take all steps which are reasonably necessary to ensure that Your data is treated securely and in accordance with this notice.

The data We collect about You may be transferred to, and stored at, a destination outside of the United Kingdom ("UK") or the European Economic Area ("EEA"). We will ensure that such transfers of personal information are protected by appropriate contractual clauses and that the transfer of information complies with all relevant data protection laws.

How long We keep Your personal information for

We will not keep Your personal information for any longer than is necessary for the purpose for which it was provided, unless We are required to by law.

We will normally keep information for at least 7 years after the termination or cancellation of a product, contract or service that We provide. In certain cases, We will keep Your information for longer, particularly for types of insurance for which a claim could potentially be made by You or a third party at a future date, even after Your contract with Us has ended.

Your rights relating to Your personal information

Under data protection law You have several data protection rights. These include the right to request a copy of Your personal information, request to have Your information updated or corrected, request to have Your information deleted (right to be forgotten), object to how We are using Your information (including Our legitimate interests mentioned above), or request to have Your information sent directly to a third party.

These rights may not apply in all cases or there might be restrictions to how these apply. If You wish to exercise any of Your rights, please contact Our Data Protection Officer whose contact details are below.

If You have any concerns about how We may use or have used Your personal information, please contact Us and We will try to resolve Your concerns. You may also contact the UK Data Protection Regulator - the Information Commissioner's Office, whose details can be found on their website www.ico.org.uk.

How to contact Us

You can contact Us for any data protection queries by email: DPO@archinsurance.com or by writing to The Data Protection Officer, Arch Insurance (UK) Limited, 4th Floor, 10 Fenchurch Avenue, London, EC3M 5BN.

ARAG Legal Expenses Insurance Company Limited (ARAG) Privacy Notice

Legal Expenses Section

We process your personal information in accordance with our Privacy Notice. You can find our Privacy Notice online at www.arag.co.uk/privacy.

Alternatively you can make a request for a printed copy to be sent to you by contacting dataprotection@arag.co.uk.



Arch UK Regional Division

Arch Insurance (UK) Limited, 4th Floor, 10 Fenchurch Avenue, London, EC3M 5BN – (FCA Register No 229887) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Arch Online Property Owners

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