



# LANDLORD'S INSURANCE POLICY BOOKLET



Dear Policyholder

Thank **You** for choosing Modus as **Your** Insurer. This **Policy** booklet provides all the details **You** need to know about **Your** Landlord's insurance **Policy**. Insurance does not cover **Your Property** against everything that can happen so please read **Your Policy** carefully alongside **Your Schedule** to make sure **You** understand what it covers and the limits that apply.

## **GUIDE TO YOUR MODUS LANDLORD'S INSURANCE POLICY**

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## Summary of your cover limits

The following is a summary of the main **Policy** limits. You should read the rest of this **Policy** for the full terms and conditions.

Section	Limit
<b>Buildings (if selected)</b>	As per Your Schedule
Underground pipes and cables	Included
Alternative accommodation and rent	up to 20% of the Building Sum Insured
Trace and access	£25,000
Selling your property (contracting purchasers interest)	Included
Damage by emergency services	£25,000
Ground rent	10% of the Building Sum Insured
Architects, surveyors and legal fees	Included
Capital additions	20% of the Buildings Sum Insured / £2,000,000
Removal of debris	Included
Metered water, electricity, gas and oil costs following damage	£25,000
Unauthorised use of electricity, gas or water	£10,000
Fly tipping clearing costs	£5,000
Bees, wasp or hornet nest removal	£1,000
Removal of tenant debris following damage	£25,000
Loss of or duplication of keys	£2,500
<b>Landlord's Contents (if selected)</b>	As per Your Schedule
Temporary removal for cleaning or repair	£25,000
Replacement locks	£2,500
Alternative accommodation and storage	up to 20% of the Contents Sum Insured
Removal of tenant debris following damage	£25,000
<b>Rent Receivable (if selected)</b>	As per Your Schedule
Prevention of access as a result of damage insured	Included
Loss of book debts	Included
Accountant's charges	Included
<b>Public Liability (if selected)</b>	As per Your Schedule
Defective Premises Act 1972	Included
Health and Safety at Work Act 1974	Included
Data Protection Act 1988	Included
Corporate Manslaughter and Corporate Homicide Act 2007	Included

## Important Information

### Policy Wording Document

This **Policy** booklet is part of **Your** insurance contract, along with **Your Schedule** and Statement of Fact documents. Please read **Your Schedule**, Statement of Fact and this **Policy** booklet carefully to make sure **You** know exactly what **Your** insurance covers.

Wherever words appear in bold with a capital letter in this **Policy** booklet they will have the meanings described in the **Definitions** Section.

**Your** insurance relates only to those sections of **Your Policy** which are shown on **Your Schedule** as being included.

Please carefully check all the details on **Your Schedule** and Statement of Fact documents, which set out the information **You** have given **Us**. If **You** think there is a mistake or **You** need to make changes, **You** should notify **Us** immediately. **Your Policy** could be invalid or a claim may be rejected or not fully paid if **You** fail to provide correct information or do not inform **Us** of relevant changes.

Under European law, **You** and **We** may choose which law will apply to this contract. English law will apply unless both parties agree otherwise.

This **Policy** is provided by Modus Underwriting Limited trading as Modus, an Appointed Representative of CFC Underwriting Limited, acting as agent on behalf of a select panel of leading insurers. The insurer(s) that are providing **Your** Modus Landlord's Insurance **Policy** can be found on **Your Schedule**.

### Help in an emergency

#### Domestic Helpline

Use the helpline following an emergency at **Your Premises** for which a tradesman's assistance is required.

The helpline will source and deploy an approved tradesman to **Your Premises**. **You** will be responsible for the tradesman's charges. Where appropriate **We** may substitute deployment of a tradesman with the provision of technical advice over the telephone giving **You** the means to rectify the problem **Yourself**.

Simply telephone **0344 770 1041** and quote 'Modus'

#### Legal Helpline

Use the 24 hour advisory service for telephone advice on any legal problem of concern to **You** in connection with the **Premises**.

Simply telephone **0344 770 1044** and quote 'Modus'

For **Our** joint protection telephone calls may be recorded and/or monitored.

### How to make a claim

When **You** first become aware **You** may need to make a claim please telephone the number shown on **Your Schedule** and follow these simple steps:

1. **You** will need **Your Policy** number; crime reference number (if relevant) and an estimate of the **Damage** or loss
2. Speak to **Us** before **You** make any arrangements for replacement or repair.

### What to do if You have a complaint

We aim to provide the highest standard of service to every customer. If you have any queries or concerns then please contact your insurance adviser in the first instance.

#### How to complain

We recognise that things do occasionally go wrong and if the service you have received does not meet your expectations you may complain to the relevant insurers:

#### Please contact us:

by telephone on:	0345 437 0361
by email at:	<a href="mailto:complaints@modusunderwriting.com">complaints@modusunderwriting.com</a>
or in writing to:	The Managing Director Modus Underwriting Limited 85 Gracechurch Street London EC3V 0AA

Where possible we will attempt to resolve your complaint immediately.

Within 2 weeks of receiving your complaint we will:

- either: let you have our response with the reasons for it
- or: explain why we are not in a position to give you a response and we will let you know when we expect to be able to provide it

If you remain dissatisfied at this point you may contact Lloyd's Complaints team at:

Complaints  
 Lloyd's  
 One Lime Street  
 London  
 EC3M 7HA  
 United Kingdom

Email: [complaints@lloyds.com](mailto:complaints@lloyds.com)  
 Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)  
 Telephone: +44 (0)20 7327 5693  
 Fax: +44 (0)20 7327 5225

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint - How We Can Help" available at [www.lloyds.com/complaints](http://www.lloyds.com/complaints) and are also available from the above address. If you remain dissatisfied after Lloyd's has considered your complaint, You may have the right to refer your complaint to the Financial Ombudsman Service.

**You may seek advice from the Financial Ombudsman Service:**

The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the Financial Ombudsman Service at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

- by telephone on: 0800 023 4 567 (from a Landline) or  
 0300 123 9 123 (from a mobile)
- by email at: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)
- or in writing to: The Financial Ombudsman Service  
 Exchange Tower  
 Harbour Exchange Square  
 London E14 9SR

## General Information

### Details about Our regulator

Modus Landlord's insurance policies are underwritten by a select panel of UK leading insurers who are all authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority. The insurer(s) for **Your Landlord's Insurance Policy** are detailed on **Your Schedule**.

The Financial Conduct Authority website, which includes a register of all regulated firms can be visited at [www.fca.org.uk](http://www.fca.org.uk), alternatively **You** can contact them on **0800 111 6768**. Calls may be recorded.

### Financial Services and Markets Act

Under the Financial Services and Markets Act 2000, should **The Company** be unable to meet all of its liabilities to Policyholders, compensation may be available. Insurance advising and arranging is covered for 90% of the claim without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

Information can be obtained on request, or by visiting the Financial Services Compensation Scheme at [www.fscs.org.uk](http://www.fscs.org.uk).

### Meeting Your needs

**We** have not given **You** a personal recommendation as to whether this **Policy** is suitable for **Your** needs.

### Information and changes **We** need to know about.

**You** must take reasonable care to provide complete and accurate answers to the questions **We** ask when **You** take out, make changes to, or renew **Your Policy**.

Please tell **Your** insurance adviser immediately if there are any changes to the information set out in **Your** Statement of Fact or on **Your Schedule**. **You** must also tell **Us** about the following if they represent a change or a fact **You** have not already told **Us** about:

- any intended alteration to, extension to or renovation of **Your Premises**. However **You** do not need to tell **Us** about internal alterations to **Your Premises** unless they affect **Your Sum Insured**
- any change to the people insured, or to be insured
- any change or addition to the **Landlord's Contents** of the **Premises** to be insured that results in the need to increase the amounts or the limits that are shown on **Your Schedule**
- if **Your Premises** is to be **Unoccupied** for any continuous period exceeding 30 days, or

If **You** are in any doubt, please contact **Your** insurance adviser.

When **We** are notified of a change, **We** will tell **Your** insurance adviser if this affects **Your Policy**, for example whether **We** are able to accept the change and, if so, whether the change will result in revised terms and/or premium being applied to **Your Policy**.

If the information provided by **You** is not complete and accurate:

- **We** may cancel **Your Policy** and refuse to pay any claim
- **We** may not pay any claim in full
- **We** may revise the premium and/or change any **Excess**, or
- the extent of the cover **We** provide may be affected.

Note: the list above does not set out all changes **You** must tell **Us** about. If **You** are not sure whether a change may affect **Your** cover, please contact **Your** insurance adviser immediately.

### Data Protection Act

It is understood by **You** that any information that is provided to **Us** about **You** will be processed by **Us** for the purposes of providing insurance and handling any claims which may necessitate providing such information to third parties. **We** will ensure that **Your** data is protected at all times and handled in accordance with the provisions of the Data Protection Act 1998.

In order to prevent and detect fraud **We** may at any time:

- share information about **You** with other organisations and public bodies including the police, or
- check and/or file **Your** details with fraud prevention agencies and databases and if **You** provide **Us** with false or inaccurate information and **We** suspect fraud **We** will record this. **We** and other organisations may also search these agencies and databases to:
  - help make decisions about the provision and administration of insurance, credit and credit related services for **You** and members of **Your** household



- o trace debtors or beneficiaries, recover debt, prevent fraud and to manage **Your** insurance policies
- o check **Your** identity to prevent financial crime, unless **You** furnish **Us** with satisfactory proof of identity, or
- o undertake credit searches and additional fraud searches.

On request, **We** can supply further details of the databases **We** access or contribute to.

## Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this insurance has no right under the Contracts (Right of Third Parties) Act 1999 to enforce any term of this insurance. This shall not affect any right or remedy of a third party which exists or is available apart from this Act.

## General Exclusions

This Policy does not cover claims caused by the following:

1. **Radioactive contamination**  
Any expense, legal liability, or any loss of or **Damage to Property** directly or indirectly caused by, arising from or contributed to by:
  - a) ionising radiation or radioactive contamination from any nuclear fuel or from any nuclear waste from burning nuclear fuel, or
  - b) the radioactive, toxic, explosive or other dangerous properties, of any explosive nuclear equipment or nuclear part of that equipment.
2. **War**  
Any result of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution or similar event.
3. **Sonic bangs**  
Loss or **Damage** caused by aircraft or other flying objects travelling at or above the speed of sound.
4. **Existing Damage**  
Any loss or **Damage** that happened before cover started.
5. **Pollution or contamination**  
Any expense, legal liability, or any loss of or **Damage to Property** directly or indirectly caused by **Pollution or Contamination**, unless caused by oil leaking from any fixed heating installation at **Your Premises** or from any domestic appliance at **Your Premises** during the **Period of Insurance**.
6. **Failure of computers and electrical equipment**  
**Damage** or loss directly or indirectly due to any computer or other electrical equipment or component failing to correctly recognise any date as its true calendar date or computer viruses or similar mechanism or hacking.
7. **Terrorism**  
Any expense, legal liability, or any loss of or **Damage to Property** directly or indirectly caused by **Terrorism**. **Terrorism** is defined as, but not limited to, any person or people whether acting alone or in connection with any organisation or government, using biological, chemical or nuclear force or contamination, whether or not committed for political, religious, ideological or similar purposes, including intending to influence any government or to put members of the public in fear.
8. **Deliberate loss or Damage**  
Any loss or **Damage** caused, or allowed to be caused, deliberately, wilfully, maliciously, illegally or unlawfully by **You** or any guest or tenant, or anyone lawfully in **Your Premises**, unless otherwise agreed and shown on **Your Schedule**.
9. **Uninsurable risks**
  - a) Reduction in value
  - b) The cost of repairing or replacing any item which has suffered mechanical or electrical faults or breakdowns or which has suffered natural and inevitable failure and stopped working without **Damage** being evident
  - c) Any **Damage** by a gradually operating cause
  - d) **Damage** which has occurred as a result of natural and inevitable events unless those events are specifically covered by **Your Policy**, and
  - e) Any drop in the market value of **Your Premises** caused by rebuilding or repairing **Damage to Your Buildings**.
10. **Loss or Damage by contractors**  
Any loss or **Damage** or liability arising out of the activities of contractors.
11. **Property more specifically insured**  
Any loss or **Damage to Property** more specifically insured by **You** or on **Your** behalf.
12. The **Excess** stated on **Your Schedule**.
13. **Damage to:**
  - a) Jewellery, watches, precious stones, precious metals, bullion or furs
  - b) **Property** in transit
  - c) Vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
  - d) **Property** or structures in the course of construction or erection and materials or supplies in connection with all such **Property** in course of construction or erection
  - e) Land, piers, jetties, bridges, culverts or excavations, and
  - f) Livestock, growing crops or trees.



**14. Damage to Property Insured** caused by:

- a) Inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials, and
- b) Faulty or defective workmanship, operational error or omission, on the part of **You** or any of **Your Employees**, but this will not exclude subsequent **Damage** which results from a cause that is not otherwise excluded by **Your Policy**.

**15. Damage** caused by:

- a) Freezing
- b) The failure, wear and tear or lack of grouting or sealant
- c) Building alterations, renovations, extensions or repairs
- d) Corrosion, rust, wet or dry rot, shrinkage, evaporation, leakage, loss of weight, dampness, contamination, fermentation, dryness, marring, scratching, chewing, vermin or insects
- e) Tearing, scratching, chewing or fouling by any pet or domesticated animal
- f) The action of light, cleaning, dyeing, renovating, altering, re-styling, repairing or restoring an item
- g) Change in temperature, colour, flavour, texture or finish, action of light
- h) Acts of fraud or dishonesty
- i) Disappearance, unexplained or inventory shortage, misfiling or misplacing of information
- j) Destruction of a building or structure, caused by its own collapse or cracking
- k) Electrical or magnetic injury, disturbance or erasure of electronic records
- l) By delay, embargo, nationalisation, confiscation, requisition, seizure or destruction, by or by order of the government or any public authority, and
- m) Joint leakage, failure of welds, cracking, fracturing, collapse or overheating, of boilers, economisers, superheaters, pressure vessels, or any range of steam and feed piping in connection therewith.

**16. Illegal activities**

Any loss or **Damage** caused as a result of **Your Premises** being used for illegal activities.

## General Conditions

The following Conditions apply to Your Policy. When additional Conditions apply to a specific Section of Your Policy, they are stated under that Section.

### 1. Policy terms and conditions

You must keep to the Policy terms, conditions and Endorsements contained in this Policy booklet and Your Schedule. If You do not do so You may invalidate Your Policy in whole or in part or reduce any claim payment made by Us.

### 2. Preventing loss

You must take all reasonable care to prevent loss, injury, liability, Damage or accidents and to maintain all Property covered under Your Policy in good condition.

### 3. Fraud

You must be honest and truthful in Your dealings with Us at all times. If You, any person insured under Your Policy or anyone acting on Your behalf attempts to deceive Us or knowingly makes a false claim, We have the right to cancel Your Policy, refuse to pay claims and retain any premium paid. We may recover from You any costs We have incurred, including the costs of investigating the claim. We will not pay a claim which is in any way fraudulent, false or exaggerated. We will also not deal with any claim following Our discovery of this behaviour regardless of when the claim occurred. In addition, We have the right to cancel any other products You hold with Us and share details of this behaviour with other organisations to prevent further fraud. We may also involve the relevant authorities who are empowered to bring criminal proceedings.

### 4. People involved in this contract

Unless otherwise provided for in Your Policy, nothing in this Policy is intended to confer a directly enforceable benefit on any other party under the Contracts (Rights of Third Parties) Act 1999.

### 5. Cancellation by Us

We have the right to cancel Your Policy at any time by giving You 14 days notice in writing where there is a valid reason for doing so. We will send Our cancellation letter to the latest address We have for You. Valid reasons may include but are not limited to:

- a) where You are required, in accordance with the terms of Your Policy, to co-operate with Us, or send Us information or documentation and You fail to do so in a way that substantially affects Our ability to process Your claim, or deal with Your Policy
- b) where there are changes to Your circumstances which mean You no longer meet Our criteria for providing Landlord's insurance, or
- c) where You have used threatening or abusive behaviour or language or You have intimidated or bullied Our staff or suppliers.

If We cancel Your Policy We will return the premium paid less the amount for the period the Policy has been in force.

### 6. Cancellation by You

You may cancel Your Policy at any time by contacting Your insurance adviser.

If You cancel Your Policy before it is due to start We will return any premium paid in full.

If You cancel within 14 days of Your Policy starting or within 14 days of You receiving Your documents (whichever is the later) We will return any premium paid in full. If You cancel after those 14 days have passed We will return any premium paid as shown on Your Schedule less an amount for the period Your Policy has been in force.

### 7. Cancellation on renewal

If You cancel before the new Period of Insurance is due to start We will return any premium paid in full.

If the new Period of Insurance has started and You cancel within 14 days of Your Policy starting or within 14 days of receiving Your renewal documents (whichever is the later) We will return any renewal premium paid in full.

### 8. Interest Clause

The interests of third parties which You are required to include on Your Policy under the terms of any mortgage, property lease, or hiring, leasing or hire purchase agreement are automatically noted subject to You advising Us as soon as possible.

### 9. Changes that may affect Your cover.

You must tell Us as soon as possible if there are any changes that may affect the level and/or cover of Your Policy, including:

- a) the address of the Premises
- b) if any work is being done to the Premises, other than routine maintenance or decoration
- c) if You are prosecuted for or convicted of any offence (excluding motoring offences)
- d) if the Premises become Unoccupied, or
- e) if the tenant type changes.

We may then reassess Your cover and/or premium. Failure to provide correct information or inform Us of any changes could adversely affect Your Policy, including invalidating Your Policy or claims being rejected or not fully paid.

Note: the list above does not set out all changes You must tell Us about. If You are not sure whether a change may affect Your cover, please contact Your insurance adviser immediately.

## Claims Conditions

The following Conditions apply to Your Policy. When additional Conditions apply to a specific Section of Your Policy, they are stated under that Section.

### 1. Reporting a claim

When You first become aware You may need to make a claim, or possible claim, under Your Policy You must tell Us as soon as reasonably possible. If You do not do so and prejudice Our position We may reject or be unable to deal with Your claim or be unable to pay Your claim in full.

### 2. Property claims

For any loss or Damage claim You must do the following:

- a) at Your expense give Us any information and evidence relevant to Your claim that We ask for, including proof of ownership or value of the lost or damaged item and written estimates for repair
- b) give Us (or Our appointed suppliers) access to, or allow inspection of, the damaged property, and
- c) immediately tell the police about any loss or Damage by deception, theft, attempted theft, vandalism, malicious acts, loss of money, riot or civil commotion or if any property has been lost outside Your Premises.

If You do not do so and prejudice Our position We may reject or be unable to deal with Your claim or be unable to pay Your claim in full.

### 3. Liability claims

For any liability claim You must:

- a) send Us any letter, claim, writ or summons in connection with the claim or potential claim as soon as You receive it, and
- b) not admit, deny, negotiate or settle a claim without Our consent.

We may take over, defend or settle the claim or take up any claim in Your name for Our own benefit. You must give Us all the information and help We need.

### 4. Rent Receivable claims

For any Rent Receivable claim You must:

- a) take all reasonable action to minimise any reduction in Your loss of Rent Receivable, and
- b) provide Us with any books of account or other documents as We may reasonably require in order to investigate or validate Your claim.

### 5. Abandonment

You cannot abandon any property to Us except when We ask You to do so.

### 6. Enforcing Your rights

We may at Our expense and in Your name take any steps necessary to enforce Your rights against any other party either before or after We pay a claim. To help Us in doing so You must give Us any information or assistance We may require.

### 7. Other insurances

We will not pay any claim which You are able to recover from another source or which is more specifically insured under any other insurance policy unless the cover provided by that policy has been exhausted.

### 8. Fraud

If Your claim is in any way dishonest or exaggerated We will not pay any benefit under Your Policy or return any premium to You. We may also take legal action against You.

### 9. Arbitration

If any differences arise as to the amount to be paid under Your Policy (liability being otherwise admitted) such difference will be referred to an arbitrator in England who will decide the matter in dispute according to English law and will be appointed by the parties in accordance with the relevant English statutory provisions for the time being in force. Where any difference is to be referred to arbitration under this Condition the making of an Award will be a Condition Precedent of any right of action against Us.

### 10. Excesses

If We accept a claim under more than one Section of Your Policy as a result of the occurrence of a single event then only one Excess will apply in respect of that claim and this shall be the highest.

## Definitions

The following definitions apply to all Sections of this Policy:

Wherever the following words appear as bold and with a capital letter in the **Policy** booklet, **Your Schedule** and Statement of Fact documents, then they will have the meaning as defined below:

1. **Accidental Damage**  
Sudden and unintentional physical **Damage** that occurs unexpectedly.
2. **Additional Expenditure**  
The additional expenditure that is necessarily and reasonably incurred with **Our** consent.
3. **Bodily Injury**  
Bodily injury including death or disease.
4. **Buildings**  
The structure of the **Premises** including landlord's fixtures and fittings, swimming pools, tennis courts, walls, gates, fences, patios, terraces, paths, drives, yards, car parks, car ports, roads, pavements, service tanks and central heating fuel storage tanks and associated underground pipes and cables belonging to **You** or for which **You** are responsible.
5. **Business**  
The business shown on **Your Schedule**.
6. **Condition Precedent**  
A condition which must be complied with before **We** are liable to pay for a claim.
7. **Contents of Common Parts**  
**Landlord's Contents** in the common parts of the **Premises** to which all tenants have access.



**We will not pay for:**

- a) stock and materials in trade, or
- b) curios, works of art, antiques, sculptures or rare books where the value of any one article exceeds £5,000.

8. **Damage**  
Accidental loss, destruction or damage.
9. **Employee**  
Any person who is working for **You** in connection with the **Business** who is:
  - a) borrowed by or hired by **You**
  - b) under a contract of service or apprenticeship with **You**
  - c) a labour master or supplied by a labour master
  - d) employed by labour only sub-contractors
  - e) self employed
  - f) under a work experience or training scheme
  - g) a voluntary helper while working under **Your** control in connection with the **Business**, or
  - h) an outworker or homeworker when engaged in work on **Your** behalf.
10. **Endorsement**  
A written change to the terms of **Your Policy** shown on **Your Schedule**.
11. **Excess**  
The amount **You** must pay towards each and every claim as shown on **Your Schedule**.
12. **Floor Coverings**  
Materials used to cover entire floors within rooms and other internal areas of the **Premises**.
13. **Glass**  
All fixed glass external and internal glass (including shelves showcases and mirrors) forming part of the structure of the **Premises**.
14. **Heave**  
Expansion or swelling of the land beneath the **Buildings** resulting in upward movement.
15. **Indemnity Limit**  
The maximum amount shown on **Your Schedule** which **We** will pay in respect of any one event or a series of events attributable to one original cause. In respect of **Products Supplied** and **Pollution or Contamination** the **Indemnity Limit** will apply to the total of all events happening in any one **Period of Insurance**.

**16. Indemnity Period**

The period beginning with the occurrence of the **Damage** and ending not later than the number of months stated on **Your Schedule** during which the **Rent Receivable** is affected as a direct result of the **Damage**.

**17. Index Linking**

Whenever a **Sum Insured** is declared to be subject to index linking it is adjusted at monthly intervals in line with the suitable indices of costs.

**18. Insured Person**

**You** or **Your** directors, principals or **Employees**.

**19. Keys**

Any device used to open a lock including but not limited to any electronic device key card or remote control transmitter.

**20. Landlord's Contents**

Fixtures and fittings (not forming a permanent part of the structure) furniture, furnishings, utensils and domestic appliances belonging to **You** or for which **You** are responsible as a landlord.

 **We will not pay for:**

- a) jewellery, watches, furs, items or sets or collections of gold, silver or other precious metals, and
- b) curios, works of art, antiques, sculptures or rare books where the value of any one article exceeds £5,000.

**21. Landslip**

Movement of land down a slope.

**22. Money**

Current coin, bank and currency notes, cheques, money orders, postal orders, postage stamps (that are not part of a collection), savings stamps and savings certificates, share certificates, premium bonds, luncheon vouchers, traveller's cheques, travel tickets, phone cards, gift tokens and VAT invoices belonging to **You**.

**23. Outstanding Debit Balances**

The **Money** that is owed to **You** by **Your** customers at the date of the **Damage** taking into account:

- a) bad debts
- b) debit and credit amounts owed and not passed through the books during the period between the last record and the date of the **Damage**
- c) abnormal trading conditions affecting the **Business**, or
- d) **Your** last record of amounts owed by customers.

**24. Period of Insurance**

The period shown on **Your Schedule** for which **Your Policy** covers **You** provided **You** pay the premium on time.

**25. Policy**

**Your** policy including the Sections, the **Statement of Fact** and **Your Schedule**, all of which should be read together as one contract.

**26. Pollution or Contamination**

- a) pollution or contamination of **Buildings** or other structures or of water or land or the atmosphere, and
- b) all loss, **Damage** to **Property** and **Bodily Injury** directly or indirectly caused by such pollution or contamination.

**27. Premises**

The part of the premises at the address or addresses specified on **Your Schedule** belonging to **You** or for which **You** are legally responsible. Unless otherwise specified in **Your** Statement of Fact the premises are:

- a) built of brick, stone or concrete, and
- b) roofed with slate, tiles, concrete, asphalt, metal or sheets or slabs composed entirely of incombustible mineral ingredients (with the exception of small outbuildings).

**28. Products Supplied**

Anything which is:

- a) manufactured, sold, supplied, processed, altered or treated
  - b) repaired, serviced, cleaned, maintained and inspected or tested, or
  - c) installed, constructed, erected or transported
- by **You** or on **Your** behalf and which is no longer in the custody or control of an **Insured Person**.

**29. Property**

Tangible property.

**30. Property Insured**

Property insured as shown on **Your Schedule**.

**31. Rent Receivable**

The **Money** including ground rent and service charges paid or payable to **You** from the letting of the **Premises** specified in **Your Schedule**.

**32. Resident**

The owner, tenant or lessee of any **Buildings** including any family members who permanently resides with them.

**33. Sanitary Fittings**

Washbasins and pedestals, bathroom and kitchen sinks, bidets, lavatory pans and cisterns, shower trays, shower screens, baths and bath panels.

**We will not pay for:**

swimming pools, hot tubs and saunas.

**34. Schedule**

**Your** schedule forms a part of **Your Policy** and contains details of the **Premises**, the **Sums Insured**, the **Period of Insurance** and the Sections of this insurance which apply.

**35. Settlement**

Downward movement of the land beneath the **Buildings** as a result of compaction due to the weight of the **Buildings**.

**36. Subsidence**

Downward movement of the land beneath the **Buildings** that is not as a result of **Settlement**.

**37. Sum Insured**

The amount shown on **Your Schedule** as the maximum **We** will pay for claims resulting from one incident unless otherwise stated in this **Policy** booklet or **Your Schedule**.

**38. Territorial Limits**

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

**39. Terrorism**

Any person or people whether acting alone or in connection with any organisation or government, using biological, chemical or nuclear force or contamination, whether or not committed for political, religious, ideological or similar purposes, including intending to influence any government or to put members of the public in fear.

**40. The Insured**a) **You**

b) **Your** personal representatives in respect of legal liability **You** incur

c) At **Your** request:

1) any director, partner, or **Employee** of **Yours**

2) The officers, committees and members of **Your**:

i. canteen, social, sports, educational and welfare organisations, and

ii. first aid, fire, security and ambulance services in their respective capacities as such

3) any principal for whom **You** are carrying out a contract, to the extent required by the contract conditions, and

4) those who hire plant to **You** to the extent required by the hiring conditions or the personal representatives of any of these persons in respect of legal liability for which **You** would have been entitled to indemnity if the claim had been made against **You**.

Each indemnified party will be subject to the terms of this **Policy** so far as they apply.

**41. Unoccupied**

A **Premises** that is:

a) insufficiently furnished for normal occupation, or

b) furnished for normal occupation but is not lived in by **You** or any other person to whom **You** have given **Your** permission for 30 days in a row.

**42. We, Us, Our, The Company**

The insurer whose identity is stated on **Your Schedule**.

**43. You, Your**

The person, persons named on **Your Schedule**.



## Section 1 - Buildings

This section only applies when shown as included on **Your Schedule**:

### Cover

The maximum amount **We** will pay in respect of any one claim is the **Sum Insured** shown on **Your Schedule** unless otherwise specified.

- We** will pay for **Damage** to any **Buildings** at the **Premises** occurring during the **Period of Insurance** and caused by:
1. fire or lightning
  2. explosion
  3. aircraft or other aerial devices, or articles dropped from them
  4. earthquake
  5. riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation
  6. malicious persons or vandals

- We will not pay for Damage:**
- a) when the **Premises** are **Unoccupied**
  - b) to **Property** in the open unless otherwise agreed by **Us**
  - c) to **Property** in any structure that cannot be locked, or
  - d) that is caused by **Your Employees**, tenants or any other persons lawfully at **Your Premises**, unless specified by **Endorsement** on **Your Schedule**.

7. theft or attempted theft

- We will not pay for Damage:**
- a) when the **Premises** are **Unoccupied**
  - b) which **You** are able to recover from another source or which is more specifically insured, or
  - c) caused by **Your Employees**, tenants or any other persons lawfully in **Your Premises**, unless specified by **Endorsement** on **Your Schedule**.

8. storm or flood

- We will not pay for Damage:**
- a) that is caused by escape of water from any tank, apparatus or pipe
  - b) that is caused by frost, **Subsidence**, ground **Heave** or **Landslip**
  - c) that is attributable solely to change in the water table level, or
  - d) to walls (not forming part of the structure), fences, gates or moveable **Property** in the open or in open sided structures.

9. escape of water from any tank, apparatus or pipe or escape of oil from any oil-fired heating installation

- We will not pay for Damage:**
- a) that is caused by water discharged or leaking, from any automatic sprinkler installations
  - b) when the **Premises** are **Unoccupied**, or
  - c) from any portable oil-fired heating installation.

10. impact by:
  - a) falling trees or branches
  - b) the collapse or breakage of television or radio receiving aerials or satellite dishes, or
  - c) any vehicles or animals.

- We will not pay for Damage:**
- a) caused by lopping, pruning or felling, or
  - b) to fences or gates.

11. **Subsidence** or ground **Heave** of any part of the site on which the **Premises** stand and **Landslip** **We will not pay for Damage:**

- a) to yards, car parks, roads, pavements, swimming pools, walls, gates and fences, unless **Damage** is also affecting the **Buildings** and **We** have accepted this as a valid claim
- b) caused by:
  - i. the normal bedding down or **Settlement** of new structures
  - ii. the **Settlement** or movement of made-up ground
  - iii. coastal or river erosion
  - iv. defective, design or workmanship or the use of defective materials, or
  - v. fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe.
- c) which commenced prior to the Effective Date (as stated on **Your Schedule**)
- d) resulting from demolition, construction, structural alteration or repair of any **Property**, or
- e) resulting from groundworks or excavation at the same **Premises**.

12. accidental breakage of **Glass** and **Sanitary Fittings**, including built in ceramic hobs and ovens **We will not pay for:**

- a) any breakage in an **Unoccupied Buildings**
- b) any breakage resulting from corrosion, wear and tear and depreciation
- c) any scratching
- d) any breakage in transit or while being fitted, or
- e) any breakage caused by workmen carrying out alterations or repairs to the **Premises**.

13. any other **Accidental Damage** **We will not pay for Damage:**

- a) when the **Premises** are **Unoccupied**
- b) to swimming pools, ornamental ponds and fountains, tennis courts, other hard courts, drives patios, terraces, walls, gates, fences, patios, terraces, paths, drives, yards, car parks, car ports, roads, pavements, service tanks and central heating fuel storage tanks, or
- c) which is specifically excluded by **Your Policy**.

**Extensions**1. **Underground services**

- We** will pay for **Accidental Damage** for which **You** are responsible to underground pipes, cables, drains (and their relevant inspection covers), supplying services to and carrying waste from the **Premises** to the point of junction with the public supply lines, mains and sewers.

2. **Ground rent**

- We** will pay up to 2 years ground rent if the **Premises** cannot be lived in temporarily but only during the period necessary for the reinstatement.

The maximum amount **We** will pay is 10% of the **Buildings Sum Insured** for any one claim arising from any one single event.

3. **European Union and public authorities**

- We** will pay the additional and necessary cost of the reinstatement of any **Damage** to the **Property Insured** incurred solely to comply with European Union legislation, regulations under Acts of Parliament or local authority by-laws, provided that:
  - a) **You** received notice to comply after the **Damage** occurred
  - b) the reinstatement is completed within 12 months of the date of the **Damage** occurring or within any further time as **We** may allow, or
  - c) the total amount payable under this Extension will not exceed:
    - i) the **Sum Insured** stated on **Your Schedule**, or
    - ii) for the portions of the **Property** that are not subject to **Damage**, 15% of the total amount for which **We** would have been liable had the **Property** been wholly destroyed in total for all claims or series of claims, arising out of any one original cause.

4. **Fees and clearance costs**

- We** will pay:
  - a) for chartered architects, surveyors or any other suitably qualified consultant and any associated legal fees which are necessary for **Us** to rebuild **Your Premises**, or
  - b) the costs of clearing the site and making it and the **Buildings** safe if the fees and costs are necessary for **Us** to repair or rebuild the **Buildings** after **Damage** covered under Section, including clearing and repairing drains, gutters and sewers.

 **We will not pay:**

- a) if **You** have been told about the requirement before the **Damage** happened, or
- b) for fees for preparing any claim under **Your Policy**.

## 5. Capital additions

- We will pay for **Damage** to:
- any newly acquired and/or newly erected **Buildings** or **Buildings** in course of erection, or
  - alterations, additions and improvements to **Buildings** anywhere within the **Territorial Limits** following **Damage** insured by this Section.

provided that **You** provide **Us** with full details of the extension as soon as possible and **You** pay any additional premium required by **Us**.

The maximum amount **We** will pay is 20% of the **Buildings Sum Insured** or £2,000,000, whichever is the lesser, at any one location.

- We will not pay for:
- any **Property** for which a building contractor is responsible
  - any appreciation in value to the **Buildings**.

## 6. Removal of debris

- We will pay costs and expenses necessarily incurred by **You** for:
- removing debris from the site of the **Premises** and the area immediately adjacent
  - dismantling and/or demolishing, or
  - shoring up or propping of the portion or portions of the **Property** following **Damage** insured by this Section.

- We will not pay for:  
any costs or expenses arising from **Pollution or Contamination of Property** not insured by this Section.

## 7. Damage by emergency services

- We will pay the cost of restoring any **Damage** caused to gardens by the emergency services in attending the **Premises** following **Damage** insured under this Section.

The maximum amount **We** will pay is £25,000 for any one claim.

## 8. Cover between exchange and completion when selling the Premises

- If **You** are selling the **Premises**, the buyer will be covered under Section 1 up to and including the date the sale completes.

- We will not pay:
- if the **Premises** is insured under any other policy
  - after the sale has been completed, or
  - more than the **Sum Insured** shown on **Your Schedule**.

## 9. Trace and access

- In the event of **Damage** insured by this Section **We** will pay costs and expenses necessarily and reasonably incurred in locating the source of the **Damage** to effect repairs and the costs of making good.

The maximum amount **We** will pay is £25,000 for any one claim.

## 10. Workmen

- Workmen are allowed on the **Premises** for the purpose of making minor structural and other alterations from time to time without prejudice to this insurance.

## 11. Metered water, electricity, gas and heating oil

- We will pay the cost of metered water, electricity, gas and heating oil providing service to the **Premises** being accidentally discharged following **Damage** insured under this Section.

The maximum amount **We** will pay is £25,000 in any one **Period of Insurance**.

Any claim for loss of metered water, electricity, gas and heating oil may be made under Section 1 or Section 2 of **Your Policy**, if in force, but not under both.

## 12. Unauthorised use of electricity gas or water

- We will pay the cost of metered electricity, gas or water for which **You** are legally responsible arising from its unauthorised use by persons taking possession or occupying **Your Premises** without **Your** consent provided that **You** take all practical steps to terminate such unauthorised use immediately **You** become aware of it.

The maximum amount **We** will pay is £10,000 in any one **Period of Insurance**.

## 13. Alternative accommodation costs

- We will pay the costs reasonably and necessarily incurred with **Our** consent in respect of comparable alternative accommodation whilst the **Premises** cannot be lived in following **Damage** insured by this Section.

The maximum amount **We** will pay is 20% of the **Building Sum Insured** for any one claim arising from any one single event.

**We will not pay for:**

**Damage** that continues for more than 24 months after the occurrence of the **Damage** or when the **Premises** is suitable to be lived in, whichever is the earliest.

## 14. Fly tipping

- We will pay the costs reasonably and necessarily incurred with **Our** consent in respect of the clearing and removing any **Property** illegally deposited in or around the **Premises**.

The maximum amount **We** will pay is £5,000 for any one claim.

## 15. Removal of nests

- We will pay the costs reasonably and necessarily incurred with **Our** consent in respect of removing bees, wasps and hornets nests from the **Premises**.

The maximum amount **We** will pay is £1,000 for any one claim.

## 16. Removal of tenants' debris

- We will pay the costs necessarily and reasonably incurred by **You** with **Our** consent, following **Damage** insured by this Section in respect of the removal of tenants' debris.

The maximum amount **We** will pay is £25,000 for any one claim.

**We will not pay for:**

any costs that are recoverable by **You**.

## 17. Temporary removal

- We will pay for any parts of the **Premises** temporarily removed for cleaning, renovation, repair or display or similar purposes.

## 18. Money and assault

## Money

- We will pay for loss of **Money** in connection with the **Business** up to the following amounts:

- a) in transit £2,000
- b) in bank night safes and afterwards within bank premises until at the bank's risk £2,000
- c) in **Your** home or the home of any **Employee**, partner or director £500, or
- d) any single loss in respect of crossed cheques, cross postal or money orders, crossed bankers drafts, stamped national insurance cards £250,000.

**We will not pay for:**

- a) losses due to the dishonesty of **You**, **Your Employees**, partners or directors
- b) losses not discovered within seven working days of the loss
- c) where a more specific insurance is in force, except for any amount in excess of that insurance
- d) shortages due to clerical or accounting errors
- e) loss of **Money** from unattended vehicles, or
- f) loss or **Damage** outside the **Territorial Limits** and the Republic or Ireland.

## Assault

- We will pay:

- a) the compensation stated below to **You** for **Bodily Injury** to an **Insured Person** caused by the theft or attempted theft of **Money**, which happens in the course of the **Business** and resulting in the following insured perils:
  - i. death £10,000
  - ii. total and permanent loss of sight in one or both eyes £10,000
  - iii. loss of one or both limbs £10,000
  - iv. total disablement which prevents the **Insured Person** from pursuing their normal occupation up to £100 per week payable for a maximum of 2 years, or
  - v. reimbursement of incurred medical expenses up to £250.
- b) up to £250 in respect of such **Insured Person** for **Damage** to their personal effects following an attempted theft to steal **Money** covered by this Extension.

### 19. Loss of or duplication of Keys

**We** will pay the reasonable cost of replacement locks and **Keys** in respect of doors and windows for which **You** are responsible and which are necessary to maintain the security of the **Premises**:

- a) following the accidental loss of **Keys**, or
- b) where there is reasonable evidence that such **Keys** have been copied by an unauthorised person.

The maximum amount **We** will pay is £2,500 for any one claim.

## Conditions

The following Conditions apply to this Section.

### 1. Index Linking

The **Sum Insured** for **Buildings** is subject to **Index Linking**.

### 2. Limit of liability

The maximum amount payable in respect of any Item insured under this Section is the **Sum Insured** stated on **Your Schedule** for each Item plus **Index Linking**.

### 3. Basis of claims settlement

Unless otherwise stated on **Your Schedule**, in the event of **Damage** the basis upon which **We** will calculate the amount **We** will pay for any claim under this Section will be on a reinstatement basis for **Property Insured** subject to the following conditions:

- a) if **Property Insured** is lost or destroyed, **We** will pay to rebuild or replace it with similar **Property** in a condition as good as, but not better than or more extensive than, its condition when new
- b) if **Property Insured** is **Damaged**, **We** will pay to replace or repair the **Damaged** portion to a condition as good as, but not better or more extensive than, its condition when new
- c) the **Property Insured** may be replaced at another site and in a manner suitable to **Your** needs, provided this does not increase **Our** liability for that claim
- d) all work must begin and be carried out as soon as possible, or
- e) if, at the time of rebuilding or replacement, 85% of what it would have cost to replace the whole of the **Property Insured** under that item is greater than the **Sum Insured** at the time the **Damage** occurred, **You** will be liable to bear a proportionate share of the loss.

#### **We will not pay:**

- a) for more than **We** would have done if the **Property** had been completely destroyed
- b) until **You** have incurred the cost of replacing or repairing the **Property** insured
- c) if **You**, or someone acting on **Your** behalf, have insured the **Property** under another policy which does not have a similar basis of reinstatement, or
- d) if **You** do not comply with any of the terms of this clause.

### 4. Fire extinguishing appliances

It is a **Condition Precedent** to **Our** liability that **You** will ensure that any fire extinguishing appliance kept at **Your Premises** are maintained in efficient working order.

### 5. Automatic reinstatement of Sum Insured

Unless there is written notice by **Us** to the contrary in the event of **Damage** under this Section **We** will automatically reinstate the **Sum Insured** provided that **You** undertake to pay the appropriate additional premium if required by **Us**.

## Section 2 – Landlord’s Contents

This section only applies when shown as included on **Your Schedule**:

### Cover

We will pay for **Damage** to the **Landlord’s Contents**, **Contents of Common Parts** and **Floor Coverings** insured at the **Premises** occurring during the **Period of Insurance** and caused by:

1. fire or lightning
2. explosion
3. aircraft or other aerial devices, or articles dropped from them
4. earthquake
5. riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation
6. malicious persons or vandals

**We will not pay for Damage:**

- a) when the **Premises** are **Unoccupied**
- b) to **Property** in the open unless otherwise agreed by **Us**
- c) to **Property** in any structure that cannot be locked, or
- d) that is caused by **Your Employees**, tenants or any other persons lawfully at **Your Premises**, unless specified by **Endorsement** on **Your Schedule**.

7. theft or attempted theft

**We will not pay for Damage:**

- a) to moveable **Property** in the open except garden furniture up to a maximum of £500 for any one claim
- b) when the **Premises** are **Unoccupied**
- c) exceeding £2,500 for **Property** in any outbuilding detached from the main Building
- d) which **You** are able to recover from another source or which is more specifically insured, or
- e) caused by **Your Employees**, tenants or any other persons lawfully in **Your Premises**, unless specified by **Endorsement** on **Your Schedule**.

8. storm or flood

**We will not pay for Damage:**

- a) that is caused by escape of water from any tank, apparatus or pipe
- b) that is caused by frost, **Subsidence**, ground **Heave** or **Landslip**
- c) that is attributable solely to change in the water table level, or
- d) to walls (not forming part of the structure), fences, gates or moveable **Property** in the open or in open sided structures.

9. escape of water from any tank, apparatus or pipe or escape of oil from any oil-fired heating installation

**We will not pay for Damage:**

- a) that is caused by water discharged or leaking, from any automatic sprinkler installations
- b) when the **Premises** are **Unoccupied**, or
- c) from any portable oil-fired heating installation.

10. impact by:

- a) falling trees or branches
- b) collapse or breakage of television or radio receiving aerials or satellite dishes, or
- c) any vehicles or animals.

**We will not pay for Damage:**

- a) caused by lopping, pruning or felling, or
- b) to fences or gates.



11. **Subsidence** or ground **Heave** of any part of the site on which the **Premises** stand and **Landslip** **We will not pay for Damage:**

- a) to yards, car parks, roads, pavements, swimming pools, walls, gates and fences, unless also affecting the **Buildings**
- b) caused by or consisting of:
  - i. the normal bedding down or **Settlement** of new structures
  - ii. the **Settlement** or movement of made-up ground
  - iii. coastal or river erosion
  - iv. defective, design or workmanship or the use of defective materials, or
  - v. fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe.
- c) which commenced prior to the Effective Date (as stated on **Your Schedule**)
- d) resulting from demolition, construction, structural alteration or repair of any **Property**, or
- e) resulting from groundworks or excavation, at the same **Premises**.

12. any other **Accidental Damage** **We will not pay for:**

- a) **Damage** when the **Premises** are **Unoccupied**
- b) **Damage** to swimming pools, ornamental ponds and fountains, tennis courts, other hard courts, drives patios, terraces, walls, gates, fences, patios, terraces, paths, drives, yards, car parks, car ports, roads, pavements, service tanks and central heating fuel storage tanks, or
- c) **Damage** which is specifically excluded by **Your Policy**.

**Extensions**

The insurance provided by this Section is extended to include the following:

1. **Temporary removal**

- We will pay for Landlord’s Contents and Contents of Common Parts** whilst temporarily removed from or in transit to or from the **Premises** for cleaning renovation repair or similar purposes but remaining in the **Territorial Limits** and the Republic of Ireland.

The maximum amount **We** will pay is £25,000.

 **We will not pay for:**

**Property** more specifically insured.

2. **Replacement locks**

- We will pay for the cost of changing locks** on doors, windows, safes and strong rooms at the **Premises** following theft, where insured by this Section, of **Keys** from the **Premises** or from **Your** home or that of any of **Your** partners or any of **Your** directors or any **Employee** entrusted with **Keys**.

The maximum amount **We** will pay is £2,500 in any one **Period of Insurance**.

3. **Removal of debris of tenants’ contents**

- We will pay the costs necessarily and reasonably incurred by You** with **Our** consent following **Damage** insured by this Section in respect of the removal of tenants’ contents from the **Premises**.

The maximum amount **We** will pay is £25,000 any one claim.

 **We will not pay for:**

- a) any costs or expenses incurred in removing debris except from the site of such **Property** sustaining **Damage** and the area immediately adjacent to such site
- b) any costs or expenses arising from **Pollution or Contamination** of **Property** not insured by this Section, or
- c) costs recoverable by **You**.

4. **Loss of metered water, electricity, gas and heating oil**

- We will pay the cost of metered water, electricity, gas and heating oil** providing service to the **Premises**, being accidentally discharged following **Damage** insured under this Section.

The maximum amount **We** will pay is £25,000 in any one **Period of Insurance**.

Any claim for loss of metered water, electricity, gas and heating oil may be made under Section 1 or Section 2 of **Your Policy**, if in force, but not under both.

#### 5. Alternative accommodation costs

**We** will pay for costs reasonably and necessarily incurred with **Our** consent in respect of comparable alternative accommodation whilst the **Premises** cannot be lived in following **Damage** insured by this Section.

The maximum amount **We** will pay is 20% of the **Landlord’s Contents Sum Insured** for any one claim arising from any one single event.

**We will not pay for:**

**Damage** that continues for more than 24 months after the occurrence of the **Damage** or when the **Premises** is suitable to be lived in, whichever is the earliest.

## Conditions

The following Conditions apply to this Section.

### 1. Index Linking

The **Sum Insured** for **Landlord’s Contents** is subject to **Index Linking**.

### 2. Limit of liability

The maximum amount payable in respect of any Item insured under this Section is the **Sum Insured** stated on **Your Schedule** for each Item plus **Index Linking**.

### 3. Basis of claims settlement

Unless otherwise stated on **Your Schedule**, in the event of **Damage** the basis upon which **We** will calculate the amount **We** will pay for any claim under this Section will be on a reinstatement basis for **Property Insured** being lost, destroyed or damaged, subject to the following conditions:

- a) if **Property Insured** is lost or destroyed, **We** will pay to rebuild or replace it with similar **Property** in a condition as good as, but not better than or more extensive than, its condition when new
- b) if **Property Insured** is **Damaged**, **We** will pay to replace or repair the **Damaged** portion to a condition as good as, but not better or more extensive than, its condition when new
- c) the **Property Insured** may be replaced at another site and in a manner suitable to **Your** needs, provided this does not increase **Our** liability for that claim
- d) all work must begin and be carried out as soon as possible, or
- e) if, at the time of rebuilding or replacement, 85% of what it would have cost to replace the whole of the **Property Insured** under that item is greater than the **Sum Insured** at the time the **Damage** occurred, **You** will be liable to bear a proportionate share of the loss.

**We will not pay:**

- a) for more than **We** would have done if the **Property** had been completely destroyed
- b) until **You** have incurred the cost of replacing or repairing the **Property** insured
- c) if **You**, or someone acting on **Your** behalf have insured the **Property** under another policy which does not have a similar basis of reinstatement, or
- d) if **You** do not comply with any of the terms of this clause.

### 4. Automatic reinstatement of Sum Insured

**We** will in the event of **Damage** under this Section automatically reinstate the **Sum Insured** unless there is written notice by **Us** to the contrary provided that:

- a) **You** undertake to pay the appropriate additional premium if required by **Us**, and
- b) **You** will take immediate steps to carry out any alterations to the protections of the **Premises** which **We** may require.

## Section 3 – Rent Receivable

This Section only applies when shown as included on **Your Schedule**:

### Cover

- We will pay for **Your** loss of **Rent Receivable** if **Your Buildings** cannot be lived in or access to them is denied as a result of **Damage** insured under Section 1 **Buildings**.

The amount **We** will pay will be the:

- a) amount by which the **Rent Receivable** during the **Indemnity Period**, as a direct result of **Damage**, falls short of the **Rent Receivable** which would have been received during the **Indemnity Period** had no **Damage** occurred
- b) the cost of reasonable comparable alternative accommodation incurred by any **Resident** where necessary
- c) the cost of reasonable accommodation in kennels and/or catteries for pets belonging to any **Resident** where pets are not permitted in any alternative accommodation.

The maximum amount **We** will pay in respect of any one claim is the **Sum Insured** shown on **Your Schedule** unless otherwise specified.

### Extensions

Any loss in respect of **Rent Receivable** as insured by this Section is extended to include interruption of the **Business** as a result of:

#### 1. Loss of book debts

- We will pay for **Your** loss for **Your** account books or other **Business** books or records following **Damage** insured under the **Buildings** or **Landlord's Contents** Section of **Your Policy** which results in **Your** inability to trace or establish the **Outstanding Debit Balances**.

The amount **We** will pay is:

- a) the difference between the **Outstanding Debit Balances** and the total of the amounts received or traced, and
- b) the **Additional Expenditure** incurred with **Our** consent in tracing and establishing customers' debit balances after the **Damage**.

The maximum amount **We** will pay in respect of any one claim is the **Sum Insured** shown on **Your Schedule**.

We will not pay for loss as a result of:

- a) erasure or distortion of information on computer systems or other records due to:
  - i. the presence of a magnetic flux or whilst mounted in or on any machine or data processing apparatus unless caused by **Damage** to that machine or apparatus, or
  - ii. defects in records
- b) deliberate falsification of **Business** records
- c) mislaying or misfiling of **Business** records
- d) the deliberate act of the public supply undertaking in restricting or withholding electricity supply, or
- e) dishonest or fraudulent acts by any of **Your Employees**.

#### Condition applicable to this Extension

**You** will record the total amount of **Outstanding Debit Balances** at least once every seven days and keep a copy:

- a) in a locked, fire-resistant safe or cabinet at the **Premises**, or
- b) away from the **Premises**.

#### 2. Professional accountant's charges

- We will pay for **Your** reasonable and necessary professional accountant's fees for producing information **We** require to investigate or verify **Your** claim.

The maximum amount **We** will pay is the **Sum Insured** for **Book Debts** shown on **Your Schedule**.

#### 3. Automatic rent review

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

### Conditions

#### 1. Automatic reinstatement of Sum Insured

Unless there is written notice by **Us** to the contrary in the event of **Damage** under this Section **We** will automatically reinstate the **Sum Insured** provided that **You** undertake to pay any additional premium if required by **Us**.

## Section 4 – Public Liability

This section only applies when shown as included on **Your Schedule**:

### Cover

We will indemnify **The Insured** against all sums which they become legally liable to pay for compensation and claimants' costs and expenses in respect of:

- a) accidental **Bodily Injury**
- b) **Accidental Damage to Property** not belonging to **You** or in **Your** charge or under **Your** control or that of any **Employee**
- c) accidental obstruction, trespass, nuisance or interference with any easement of air, light, water or way, or
- d) wrongful arrest, detention, imprisonment or eviction of any person, malicious prosecution or invasion of the right of privacy;

occurring in connection with the **Business** during the **Period of Insurance** and within the **Territorial Limits**.

Provided that:

- i. such persons are not entitled to indemnity under any other policy covering such liability
- ii. each person observes, fulfils and is subject to the terms of **Your Policy** as if they were **You**
- iii. **We** retain sole conduct and control of any claim, or
- iv. where **We** are required to indemnify more than one party **Our** total liability will not exceed the relevant **Indemnity Limit**.

**Our** liability for all compensation (excluding costs) payable to any claimant or number of claimants in respect of or arising out of any one event or all events of a series consequent on one original cause will not exceed the **Indemnity Limit** shown on **Your Schedule**.

### Extensions

#### 1. Cross liabilities

Where **You** comprise more than one party, **We** will treat each party as if a separate **Policy** had been issued to each party provided that nothing in this Extension will increase **Our** liability beyond the amount for which **We** would have been liable had this Extension not applied.

#### 2. Defective Premises Act 1972

The indemnity provided by this Section is extended to indemnify **The Insured** under this Section in respect of legal liability incurred by **You** under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any **Business Premises** or land disposed of by **You**.

**We will not pay for:**

- a) the cost of rectifying any **Damage** or defect to the **Premises** or land disposed of, or
- b) legal liability for which **You** are entitled to indemnity under any other policy.

#### 3. Compensation for court attendance

In the event of any of the persons mentioned below attending court as a witness at **Our** request in connection with a claim in respect of which **The Insured** is entitled to indemnity under this Section **We** will provide compensation to **You** at the following daily rates:

- a) £500 for **You** or any of **Your** directors or partners, and
- b) £250 for any **Employee**.

#### 4. Worldwide personal liability

**We** will subject to the terms of this Section indemnify **The Insured** or his or her spouse/civil partner during temporary visits anywhere in the world in connection with the **Business**.

**We will not pay for liability arising from:**

**The Insured** owning or occupying land or **Buildings** or carrying on any trade or profession.

#### 5. Contractors' contingent liability

**We** will, subject to the terms of this Section, indemnify **You** in respect of liability arising out of minor work carried out by bona-fide contractors in the form of decorations, repairs and routine maintenance provided that:

- a) such persons are not entitled to indemnity under any other policy covering such liability, or
- b) **Our** maximum liability will not exceed the Limit of Indemnity stated on **Your Schedule**.

## 6. Contractual liability

- If **The Insured**, by agreement, assumes liability which would not otherwise have attached, the cover under this Section will only apply if **We** have sole conduct and control of all claims.

**We will not pay for liability arising from:**

- a) liquidated damages or under any penalty clause
- b) any contract which involves work outside the **Territorial Limits**, or
- c) for **Damage to Property** caused by those risks against which **You** are required to effect insurance by reason of Clause 21.2.1. of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or any other contract condition incorporating a similar requirement.

## 7. Health and Safety at Work etc. Act 1974

- We** will indemnify **The Insured** against legal costs and expenses incurred in defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the **Period of Insurance**. With **Our** written consent **We** will also pay the prosecution costs awarded and the costs incurred in appealing against any judgment given. Provided that:

- a) this indemnity will not apply to the payment of fines or penalties
- b) the prosecution relates to the health safety and welfare of any person other than an **Employee**, and
- c) proceedings arise from an incident which relates to a claim or potential claim under this Section.

## 8. Data Protection Act 1998

- We** will indemnify **The Insured** against the sums which **You** or any of **Your** directors or partners or any **Employee** become(s) legally liable to pay as damages under Section 13 of the Data Protection Act 1998 for **Damage** or distress caused in connection with the **Business** during the **Period of Insurance** provided that **You** are:

- a) a registered user in accordance with the terms of the Act, and
- b) not in **Business** as a computer bureau.

The total amount payable including all costs and expenses under this Extension in respect of all claims occurring during any one **Period of Insurance** is limited to £1,000,000.

**We will not pay for liability arising from:**

- a) any **Damage** or distress caused by any 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
- b) any **Damage** or distress caused by any act of fraud or dishonesty
- c) the costs and expenses of rectifying rewriting or erasing data
- d) liability arising from the recording processing or provision of data for reward or to determine the financial status of any person, or
- e) the payment of fines or penalties.

## 9. Corporate Manslaughter and Corporate Homicide Act 2007

- We** will indemnify **You** against legal costs and expenses incurred with **Our** prior written consent, in defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought in respect of a charge, or investigations in connection with a charge, of corporate manslaughter or corporate homicide, under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands, committed or alleged to be committed in the course of the **Business** during the **Period of Insurance**.

Provided that:

- a) **Our** liability under this Extension will be limited to a maximum amount of £1,000,000 in the aggregate and in any one **Period of Insurance**
- b) this Extension will only apply to proceedings brought within the **Territorial Limits**
- c) **We** must consent to the appointment of any solicitor or counsel acting on **Your** behalf
- d) **You** must immediately notify **Us** of receipt of any summons or other process served upon **You** which may give rise to proceedings arising from the cover under this Extension, or
- e) before **We** consent to fund any appeal, advice must have been received from Counsel that there is a strong probability that the appeal will be successful. Any information in support of this assertion requested by **Us** will be supplied by **You**.

**We will not pay for liability under this extension:**

- a) where **You** have committed any deliberate or intentional criminal act that gives rise to a charge of corporate manslaughter or corporate homicide
- b) for any fines or penalties of any kind, or
- c) where **You** can obtain indemnity for the costs of defending a criminal proceeding in relation to corporate manslaughter or corporate homicide from any other source or insurance or where but for the existence of this Extension **You** would have obtained indemnity from any other source or insurance.

## Exclusions

 **We will not pay for liability in respect of:**

- a) the ownership, possession or use by **You** of any **Buildings** not insured under Section 1 of **Your Policy** unless otherwise stated on **Your Schedule**
- b) the ownership, possession or use by **You** of any land unless **We** have agreed to provide cover in respect of such land
- c) accidental **Bodily Injury** or **Damage** arising out of manual work away from **Your Premises**, other than collection or delivery
- d) accidental **Bodily Injury** or **Damage** arising from the ownership, possession or use by **You** or on **Your** behalf of:
  - i. any mechanically propelled vehicle (including any type of machine on wheels or caterpillar tracks) licensed for road use or for which compulsory insurance or security is required by any road traffic legislation (except the loading or unloading of such vehicle or trailer or the delivery or collection of goods in connection with such vehicle or trailer when **You** are not entitled to indemnity under any other policy), or
  - ii. any vessel or craft (other than hand propelled boats) made or intended to float on or in or travel through water or air or space or the loading or unloading of such vessel or craft.
- e) accidental **Bodily Injury** or **Damage** arising from or caused by any professional negligence, wrongful or inadequate treatment, examination, prescription, advice by **You** or anyone acting on **Your** behalf
- f) any goods which **You** supply, install, erect, repair, alter or treat
- g) the cost of rectifying or replacing defective work
- h) **Pollution or Contamination** other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**. All **Pollution or Contamination** which arises out of one incident will be deemed to have occurred at the time such incident first takes place. **Our** liability in respect of all **Pollution or Contamination** which is deemed to have occurred during the **Period of Insurance** will not exceed in the aggregate the Indemnity Limit shown on **Your Schedule**
- i) **Damage** to any commodity article or thing supplied installed or erected by **You** if such **Damage** is attributable to any defect therein or the harmful nature or unsuitability thereof, or
- j) **We** will not pay for the amount of the **Excess** stated on **Your Schedule** for each and every claim in respect of **Damage to Property**.





## Landlord's Insurance

Modus is a trading name of Modus Underwriting Limited. Registered 9269358.  
Registered Address: 85 Gracechurch Street, London EC3V 0AA.  
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