



Property Owners Policy Wording



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PROPERTY OWNERS POLICY WORDING

GUIDE TO PROPERTY OWNERS CERTIFICATE WORDING

There are general obligations contained in this **Certificate** pages 3-5 and obligations specific to certain sections (additional obligations may be imposed by endorsement) that are all important to us and which **We** rely upon **You** to comply with.

The obligations clearly set out what **You** must do to ensure cover under this **Certificate** is not prejudiced. In the event **You** breach an obligation(s) and **You** need to make a claim **You** will need to show that non-compliance with the obligation could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **You** are unsure as to what an obligation means or if **You** are unable to comply with the terms **You** should consult with **Your** insurance advisor.

The **Certificate** defines what is covered under separate sections 1-4. Within those Sections the extent of cover is explained together with obligations and exclusions specific to that Section.

Exclusions applying to the whole **Certificate** are set out in pages 17-18 and **We** will not pay a claim if these exclusions are applicable.

The General **Certificate** Conditions pages 18-20 sets out certain rights and includes clauses that apply to the whole of the **Certificate**.

The **Certificate** Definitions pages 21-23 provide the meaning to words and phrases wherever they appear in the **Certificate**. **You** will see words in bold which highlights that for the purposes of this **Certificate** they are a definition.

The **Schedule** attaching to this **Certificate** will set out the period of this insurance and specify which Sections of this **Certificate** are operative including the **Sums Insured**.

The **Schedule** may also contain clauses additional to the **Certificate** wording that **You** have imposed placing additional obligations on **You** and/or limiting coverage. The terms of those clauses will be attached to the **Certificate** in the form of an endorsement.

Complaints Procedure

It is our intention to provide **You** with an excellent service. However, if **You** are unhappy with any aspect of this service or if **You** wish to make any enquiry regarding this Policy, please contact either **Your** insurance adviser or the complaints contact as outlined in the Policy Schedule, where **You** will also find details of the **Underwriter's** complaints procedure.

Reading the Certificate

It is strongly recommended that **You** read the **Certificate** including the **Schedule** and any endorsements to ensure that the cover meets with **Your** requirements. In the event that the cover does not meet with **Your** requirements **You** should immediately advise **Your** insurance advisor.

We will then decide whether or not to agree to a variation of the **Certificate**. However, the terms of the **Certificate** will remain effective unless **We** have agreed to a variation in writing.

AUTHORISED CERTIFICATE

This **Certificate** and any replacement **Schedule** and/or endorsement are to be read together as one document.

This **Certificate** is a legally binding contract which **You** have made with **Underwriters**.

In consideration of the payment by **You** of the premium specified in the **Schedule**, **Underwriters** agree (subject to the terms, conditions and exclusions of the **Certificate**) to indemnify **You** against **Damage**, accident or injury occurring during the **Period of Insurance** provided always that:

1. The liability of the **Underwriters** shall not exceed the **Sums Insured** or limits of liability stated in the **Schedule** or such other **Sums Insured** or limits of liability as may be substituted by endorsement or attached hereto;
2. This **Certificate** insures **You** only in respect of the sections where a **Sum Insured** or a limit of liability is specified in the **Schedule**.

Any dispute arising out of or in connection with this **Certificate** shall be subject to and construed solely in accordance with the laws of England and Wales. **You** and the **Underwriters** agree that all disputes arising out of or in connection with the **Certificate** shall be subject to the jurisdictions of the courts of England and Wales or as otherwise agreed in accordance with the EU Disclosure Clause.

Several Liability Notice

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

Authorised Signatory



Russell Brown
Director of Underwriting, GB Underwriting Limited.
For and on behalf of **Underwriters** (please see **Schedule**)



GENERAL OBLIGATION

You have an obligation in **Your Proposal** to answer any questions honestly and accurately make a fair presentation of the risk and disclose every material fact and circumstance (a material fact or circumstance is material if it would influence the judgement of the **Underwriter** when considering whether to accept the risk and on what terms, conditions and premium) as otherwise **Underwriters** shall be entitled to remedy their position in accordance with the Claims and Remedy conditions on page 5 of this **Certificate**.

These obligations also apply to variations and continue throughout the **Period of Insurance** including any subsequent **Period(s) of Insurance** granted by **Underwriters**.

Without prejudice to **Underwriters'** rights, if **You** are unsure as to what constitutes a fair presentation of risk, a material fact or circumstance, or if **You** have any questions concerning the **Certificate** terms and conditions, **You** should check with **Your** insurance advisor.

The **Certificate** contains important terms and conditions that must be complied with including but not limited to:

Alteration in Risk

You must immediately notify **Underwriters** if the risk has altered:

1. by removal of any fire or security protections or building component designed to prevent **Damage** to the **Property Insured**; or
2. whereby the risk of **Damage** accident or liability is increased; or
3. by the **Business** being wound up or carried on by a liquidator or receiver or permanently discontinued; or
4. whereby **Your** interest ceases except by will or operation of law; or
5. by a change of type of tenant or use at the **Premises**, or the **Buildings** becoming **Unoccupied**

otherwise the **Certificate** will be treated as cancelled and all cover will terminate unless **You** have notified **Underwriters** of any such alteration(s) and at their option they have agreed to vary the **Certificate**.

Reasonable Precautions

You must:

1. take all reasonable precautions to prevent occurrences which may give rise to **Damage** or accidents;
2. take all reasonable steps to comply with statutory requirements, obligations and regulations imposed by any authority;
3. take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require;
4. when undertaking **Renovations** to the **Property Insured** **You** must take all reasonable precautions to

prevent **Damage**. **You** must not undertake **Building Works** without **Underwriter's** express written agreement

otherwise **Underwriters** may refuse to pay **Your** claims or provide indemnity under this **Certificate**.

Maintenance and Safety

It is important that **You** comply with requirements 1-4 below otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 3 will not operate:

1. If the **Premises** or any part thereof is let as residential accommodation **You** must comply with current gas safety regulations and laws and at the commencement and throughout the currency of this insurance **You** must be in possession of a current Gas Safety Certificate issued by a Gas Safe registered engineer. Any necessary repairs and maintenance must be carried out promptly by a Gas Safe registered engineer;
2. If **You** are responsible for gas installations at commercial **Premises**, annual maintenance checks must be undertaken and at the commencement and throughout the currency of this insurance **You** must be in possession of a valid Gas Safety Certificate issued by a Gas Safe registered engineer;
3. At the commencement of this insurance and at all times throughout the currency of this insurance **You** must be in possession of an electrical installation condition report (EICR) that:
 - a) covers the whole of the electrical installation(s);
 - b) is less than three years old and issued by a contractor approved and registered with one of the following:
 - i. National Inspection Council for Electrical Installation Contractors (NICEIC);
 - ii. Electrical Contractors Association (ECA);
 - iii. National Association of Professional Inspectors and Testers (NAPIT);
 - iv. Electrical Self Assessment (ELECSA);
 - c) documents that all C1 or C2 deficiencies or defects have been remedied;
4. In respect of any vessel, machinery or apparatus or its contents belonging to **You** or under **Your** control which is required to be examined to comply with any Statutory Regulations, such vessel, machinery or apparatus shall be the subject of:
 - a) inspection(s) under contract; and
 - b) regular maintenance schedules

and **You** must be in possession of such certificates of inspection and evidence of maintenance.

Survey

In the event **Underwriters** have granted cover subject to a survey it is a requirement that:

Your full co-operation is provided to ensure that the survey is completed by the survey completion date stated in the **Schedule** or **Certificate** endorsement, otherwise all cover



will cease immediately unless an extension to the period has been agreed in writing by **Underwriters**.

Following the survey **Underwriters** reserve the right to cancel or vary this insurance with immediate effect or impose additional terms, conditions and exclusions and/or revise the premium rate.

You must implement survey requirements within the time limits specified by the **Underwriters** and maintain implementation of such requirements during the currency of this insurance and any additional periods granted by the **Underwriters** unless otherwise agreed.

If **You** fail to implement the term(s) of the requirement(s) within the time limit(s) specified by the **Underwriters** then all cover under the **Certificate** shall terminate and remain inoperative unless:

1. an extension to the time limits has been agreed by the **Underwriters** in writing; or
2. all the survey requirement(s) have been fully implemented at the time of **Damage**; or
3. the **Underwriters** have agreed to waive the survey requirement(s).

For the avoidance of doubt all terms and conditions of the **Certificate** continue unless otherwise agreed by **Underwriters** in writing.

In the event the **Certificate** is cancelled due to **Your** failure to meet the terms of this obligation a return premium will be calculated on a pro-rata basis less the cost of the survey up to a maximum of GBP 500.00 (or equivalent currency).

Electrical – Portable Appliance Testing

You must ensure the safety of electrical appliances owned by **You** or under **Your** control by:

1. periodically testing appliances, to be carried out by competent personnel (in-house or outsourced);
2. having all tested appliances labelled, whether passed or failed and having all testing recorded and kept for at least 5 years;
3. removing any equipment from the **Premises** that has failed testing unless it has been repaired by a qualified technician

otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 3 will not operate.

Security

It is important that **You** comply with requirements 1–4 below otherwise all **Damage** arising from or caused by the **Defined Perils** of fire, theft and malicious persons will be excluded:

1. **You** must ensure that all protections provided for the safety and security of the **Premises** shall be maintained in good order and shall not be withdrawn, altered or varied without the prior consent of the **Underwriters** and shall be in full and effective operation when the

Premises are closed for business or left unattended, and at all other appropriate times;

2. **You** must ensure that any alarm and/or system forming part of the protections shall be maintained in full and efficient working order under a contract to provide both corrective and preventive maintenance with the installing company and/or in accordance with the manufacturer's recommendations;
3. **You** must ensure that:
 - a) All external entry/exit doors are fitted with at least 5 lever mortice deadlocks complying to BS3621 or fitted with locking bars secured by five lever close shackle padlocks;
 - b) All windows and skylights that are accessible from the ground or basement level or from adjoining roofs, porches, walls, fire escapes or downpipes are either barred, grilled or fitted with key operated window locks;
4. In the event of **You** receiving any notification:
 - a) that the police authority attendance or any contractually provided attendance in response to alarm signals and/or calls from any alarm system may be withdrawn or the level of response reduced or delayed; or
 - b) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance in respect of any alarm system; or
 - c) that any alarm system cannot be returned to or maintained in full working order

then, with immediate effect:

- i. **You** must notify **Underwriters** as soon as possible, at which time **Underwriters** shall reserve the right to vary terms or cancel cover provided under this **Certificate**;
- ii. **You** shall be responsible for the first 20% of any **Damage** by theft or attempted theft subject to a minimum contribution of GBP 2,500;
- iii. **You** must comply with any requirements that **Underwriters** impose in response to such notice.

Pipe Lagging

You must ensure that:

1. there is a heating system linked to a frost-stat and a minimum temperature of 4°C is maintained between 31st October and 31st March; or
2. all pipes are adequately lagged to prevent freezing

otherwise all **Damage** will be excluded that arises from or is caused by **Defined Perils** of overflowing, discharge or leaking of any sprinkler apparatus, escape of water from any tank, apparatus or pipe and indemnity under Section 3 will not operate.

Sprinkler Maintenance

It is important that **You** comply with requirements 1-7 below in respect of any installation(s) of Automatic Sprinklers at the Insured **Premises** otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded.



You must:

1. make a test every week for the purpose of ascertaining that the alarm gong is in working order and that the stop valve controlling the individual water supplies and the installation is fully open;
2. make quarterly or half-yearly tests, if required by the **Underwriters** to do so, for the purpose of ascertaining that each water supply is in order and record the particulars of each test;
3. make a test every weekday (holidays excepted) of:
 - a) the Fire Brigade connection;
 - b) the circuit between the alarm switch and the control unit; and
 - c) the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade(Note 1: it is permissible for test a) to be carried out by the Fire Brigade if the latter are prepared to give a written undertaking to perform the duty. Note 2: where the circuits in a) and b) are continuously monitored, tests need only be made once per week);
4. remedy promptly any defect revealed by such tests;
5. notify the **Underwriters** before any installation is rendered inoperative or immediately in the event of an emergency;
6. allow the **Underwriters** access to the **Premises** at all reasonable times for the purpose of inspecting the sprinkler installation;
7. have in force during the **Period of Insurance** a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installations(s) and to obtain from them, following each inspection, certification that they are in satisfactory working order.

Burning of Waste

You must ensure that no burning of waste is carried out on the **Premises** otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 3 will not operate.

Heat Application

If the use or application of heat takes place on the **Premises** in the course of **Renovation** or as specifically agreed by **Underwriters** the following precautions and procedures must be complied with by **You** and/or **Your** contractor(s) on each occasion:

1. application of heat by means of electric, oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers:
 - a) the area in the immediate vicinity of the work (including in the case of work carried out on one side of a wall or partition, the opposite side of the wall or partition) is cleared of all loose combustible material, other combustible material is covered by sand or over-lapping sheets or screens of non-combustible material;
 - b) at least two adequate and appropriate portable fire extinguishers, in proper working order, are kept in

the immediate area of the work being undertaken and used immediately smoke or smouldering or flames are detected;

- c) blow lamps and blow torches are filled in the open and are not lit until immediately before use and are extinguished immediately after use;
 - d) a person is appointed by **You** or the contractor who will watch for signs of smoke or smouldering or flames and will take immediate steps to extinguish any smouldering or flames discovered during works and for a period of 60 minutes after works have finished;
2. use of asphalt, bitumen, tar, pitch or lead heaters:
 - a) the heating is carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel is placed on a non-combustible heat insulating base;
 3. the contractor(s) using the application of heat on the **Premises** shall have in place appropriate Public Liability insurance with an indemnity limit of no less than GBP 2,000,000 and shall supply a copy of the insurance certificate to **You** prior to commencement of work

otherwise all **Damage** arising from or caused by **Defined Perils** of fire and explosion will be excluded and indemnity under Section 3 will not operate.

Portable Heating

You must not provide, use or store on the **Premises** paraffin, portable electric or gas heaters or gas containers unless specifically agreed in writing by the **Underwriters** prior to such use or storage otherwise all **Damage** arising from or caused by the **Defined Perils** of fire and explosion will be excluded and indemnity under Section 3 will not operate.

CLAIMS & REMEDY CONDITION

We aim to settle valid claims promptly and fairly in accordance with the cover provided by this **Certificate**.

Your claim will be managed from within our dedicated insurance claims team supported on certain occasions by a professional loss adjusting firm and/or a specialist services company to ensure **Your** claim is settled for the correct amount as quickly as possible.

It is important that **You**:

1. have made a fair presentation of the risk and disclosed every material fact and circumstance; and
2. **You** have complied with the obligations, terms and conditions contained in the **Certificate** throughout this **Period of Insurance**

otherwise **Your** claim may not be paid.

If **You** submit a valid claim and it transpires that **You** have breached **Your** obligations of disclosure, or made a misrepresentation then following a breach of disclosure



which is either deliberate or reckless **Underwriters** shall be entitled to:

1. avoid the contract, refuse all claims; and
2. retain the premiums paid.

If **You** submit a valid claim and it transpires that **You** have breached **Your** obligations of disclosure, or made a misrepresentation, then following a breach of disclosure which is neither deliberate or reckless **Underwriters** shall be entitled, if cover would not have been offered, to:

1. avoid the contract, refuse all claims; and
2. return the premiums paid.

If **You** submit a valid claim and it transpires that **You** have breached **Your** obligations of disclosure, or made a misrepresentation, then following a breach of disclosure which is neither deliberate or reckless **Underwriters** shall be entitled, if cover would have been offered on different terms, to:

1. treat the contract as being entered into but the contract will be treated as if it had been entered into on those different terms (other than terms relating to premium); and
2. reduce proportionately¹ the amount to be paid on a claim if **Underwriters** would have entered into the contract (whether the terms relating to matters other than the premium would have been the same or different), but would have charged a higher premium. If more than one **Premises** is stated in the **Schedule** the proportion of the premium charged for the **Premises** that has sustained **Damage** will be applied.

¹ reduce proportionately means that **Underwriters** need only pay on the claim X% of what otherwise they would have been under an obligation to pay under the terms of the **Certificate** (or, if applicable, under the different terms provided for by virtue of paragraph 1.), where:

$$X = \frac{\text{Premium actually charged}}{\text{Higher Premium}} \times 100$$

SECTION 1 - BUILDINGS

COVER AND BASIS OF SETTLEMENT

Underwriters agree that if, during the **Period of Insurance**, an item of **Property Insured** at the **Premises** sustains **Damage** due to a **Defined Peril**, then following an **Insured Event** under this Section **Underwriters** will pay **You**:

1. the **Cost of Reinstatement** of the **Property Insured** provided that reinstatement or replacement takes place in accordance with the Reinstatement Conditions set out below;
2. Where reinstatement or replacement of the **Property Insured** does not take place in accordance with 1. above for any reason whatsoever the Alternative Basis of Settlement Condition will apply.

Reinstatement Conditions

1. **Underwriters'** liability for the repair or replacement of **Property Insured Damaged** in part only, shall not exceed the amount which would have been payable had such property been wholly lost or destroyed.
2. No payment beyond the amount which would have been payable in the absence of this reinstatement basis of indemnity shall be made:
 - a) unless reinstatement commences within twelve months of **Damage** occurring unless otherwise agreed by **Underwriters**;
 - b) until the **Cost of Reinstatement** shall have been actually incurred;
 - c) if the **Property Insured** at the time of the **Damage** shall be insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement

subject always to **Underwriters** liability not exceeding the limits and **Sum Insured** stated in the **Schedule**.

Alternative Basis of Settlement Condition

Where **Cost of Reinstatement** is not applied **Underwriters** agree that if, during the **Period of Insurance**, an item of **Property Insured** at the **Premises** sustains **Damage** due to a **Defined Peril**, then following an **Insured Event** under this Section **Underwriters** will pay **You**, whichever is the lesser of:

1. the cost to reinstate, repair or replace such property or any part of it less an appropriate deduction for depreciation wear and tear; or
2. the diminution in value of the **Property Insured**; or
3. whatever other measurement of settlement that both **You** and **Underwriters** agree upon

subject always to **Underwriters** liability not exceeding the limits and **Sum Insured** stated in the **Schedule**.



EXCLUSIONS APPLYING TO SECTION 1

1. The amount of the **Excess** stated in the **Schedule**.
2. Loss by delay, loss of market, consequential loss of any and every description.
3. Property insured more specifically by or on behalf of **You** or more specifically covered under another Section of this **Certificate**.
4. **Damage** to any **Property Insured** directly or indirectly caused by or contributed from:
 - a) subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage, expansion, settlement or bedding down of any **Building** or foundation unless resulting from **Damage** not otherwise excluded;
 - b) moth, termites, vermin or insect, wear, tear, gradual deterioration, rust or oxidisation, rot, mould or mildew, inherent vice, latent defect unless resulting from **Damage** not otherwise excluded;
 - c) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching or denting unless resulting from **Damage** not otherwise excluded;
 - d) change in climatic or atmospheric conditions or in water table levels;
 - e) theft, wind, rain, hail, sleet, snow, flood or dust **Damage** to movable property in the open, fences and gates;
 - f) infidelity or dishonesty by **You** or any of **Your Employees** or other persons to whom **Property Insured** may be entrusted or loss, destruction or **Damage** resulting from **You** voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence;
 - g) any unexplained loss or loss or shortage disclosed on taking inventory, misfiling or misplacing of information;
 - h) theft or attempted theft unless accompanied by forcible and violent entry into or exit from the **Building** or involving violence or the threat of violence;
 - i) any loss in excess of GBP 10,000 for **Damage** caused by malicious persons where the person who caused the **Damage** was authorised to be on the **Premises** at the time of the **Damage**.
5. **Damage** to:
 - a) property or structures in course of construction or erection and materials or supplies in connection with all such property; and
 - b) land, roads, pavements, piers, jetties, bridges, culverts or excavations.

Limit of Indemnity

Underwriters' liability in respect of all incidents of **Damage** to an item of **Property Insured** during the **Period of Insurance** shall be limited as follows:

1. If an individual **Sum Insured** is specified on the **Schedule** for that item, **Underwriters'** liability shall be limited to that **Sum Insured**;

2. In any event, **Underwriters'** liability shall in no circumstances exceed, in the aggregate, the total **Sum Insured** for the category of **Property Insured** on the **Schedule** under which that item falls, but:
 - a) in the event that, at the time of **Damage**, any **Buildings** are awaiting refurbishment, redevelopment or **Renovation**, then **Underwriters** shall not be liable for any costs which would have been incurred by **You** in the absence of such **Damage** as part of that work;
 - b) in the event that, at the time of **Damage**, any **Buildings** are the subject of an existing contract or order for demolition, then **Underwriters'** liability shall be limited to **Removal of Debris**.

Average Clause

Each item insured under this Section is declared to be separately subject to the following Condition of Average, namely:

If at the time of repair or rebuilding or replacement the **Cost of Reinstatement** which would have been incurred in reinstatement if the whole of the property by such item had been destroyed exceeds the **Sum Insured** thereon at the commencement of any **Damage** to such property, then **You** shall be considered as being **Your** own insurer for the difference between the **Sum Insured** and the sum representing the **Cost of Reinstatement** of the whole of the property and shall bear a rateable proportion of the loss accordingly.

The **Excess** shall not be reduced in the event that the Average clause applies to **Your** claim.

If the Alternative Basis of Settlement Condition is applied this Average clause is amended to:

The **Sum Insured** by each item is separately declared to be subject to Average.

In the event that the **Sum Insured** for any such item shall, at the commencement of **Damage**, be less than the value of the property covered, then the amount payable by **Underwriters** shall be proportionately reduced.

Other Insurances

If at the time of **Damage** resulting in a loss under this Section there be any other insurance effected by **You** or on **Your** behalf covering such loss or any part of it, the liability of the **Underwriters** hereunder shall be limited to their rateable proportion of such loss.

DEFINITIONS SPECIFIC TO THIS SECTION 1

Architects, Surveyors, Legal and Consulting Engineers Fees means the reasonable cost of employing architects, surveyors, lawyers and consulting engineers in the reinstatement or repair of the **Property Insured** consequent



upon its **Damage** but not for preparing any claim.

Cost of Reinstatement means:

1. the rebuilding or replacement of property lost or destroyed which, provided **Underwriters'** liability is not increased, may be carried out:
 - a) in any manner **You** and the **Underwriters** agree;
 - b) on another site agreed by both **You** and the **Underwriters**;
2. the repair or restoration of property **Damaged** to a condition equivalent to or substantially the same as, but not better or more extensive than its condition when new, including an allowance for **Removal of Debris, European Community and Public Authorities, and Architects, Surveyors, Legal and Consulting Engineers Fees**.

European Community and Public Authorities means such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of:

1. European Community Legislation; or
2. Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye Laws of any Public Authority (hereafter referred to as 'the Stipulations') which governs the construction, alteration and reinstatement of **Buildings**

excluding:

- a) the cost incurred in complying with the Stipulations:
 - i. in respect of **Damage** occurring prior to the granting of this **Certificate**;
 - ii. in respect of **Damage** not insured by this Section;
 - iii. under which notice has been served upon **You** prior to the happening of the **Damage**;
 - iv. for which, at the time of **Damage**, there is an existing requirement which has to be implemented within a given period;
 - v. in respect of property entirely undamaged by any peril hereby insured against;
- b) the additional cost that would have been required to make good the property lost, destroyed or **Damaged** to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen;
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations.

Removal of Debris means costs and expenses necessarily incurred by **You** with the consent of the **Underwriters** in:

1. removing debris;
2. dismantling and/or demolishing;
3. shoring up or propping of the portions of the **Property Insured**;
4. clearing drains sewers and gutters at the **Property Insured**

as a result of **Damage** hereby insured against.

The **Underwriters** will not pay for any costs or expenses:

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

EXTENSIONS APPLICABLE TO SECTION 1 - BUILDINGS

Landlords Contents

Following an **Insured Event** this Section extends to include **Damage** to **Landlords Contents** up to the **Sum Insured** stated in the **Schedule**. However, if, at the time of **Damage**, the **Sum Insured** stated in the **Schedule** is less than the full value of the **Property Insured** by that item, the amount payable by the **Underwriters** will be proportionately reduced.

Reinstatement of Sum Insured

Following an **Insured Event** the **Sum Insured** by this Section will be automatically reinstated from the date of the loss (unless written notice is given to the contrary either by the **Underwriters** or by **You**) and **You** undertake to pay such necessary premiums as may be required for such reinstatement from that date.

Sale of Property Insured

If at the time of **Damage** to any **Building** insured under this Section **You** shall have contracted to sell **Your** interest in such **Building** and the purchase shall not have been but shall be thereafter be completed, the purchaser, on completion of the purchase (if and so far as the property is not otherwise insured by or on behalf of the purchaser against such **Damage**), shall be entitled to the benefits of this Section of the **Certificate** so far as it relates to such **Damage**. This is without prejudice to **Your** or the **Underwriters'** rights and liabilities under this Section, up to the date of completion.

Services Clause

The insurance by each item of **Property Insured** extends to cover telephones, gas, water and electric instruments, meters, piping, cabling and accessories including similar property in the adjoining yards and roadways or underground (and pertaining to any **Building** insured by this Section), all belonging to **You** or for which **You** are responsible.

Additional Metered Water Charges

Underwriters will pay to **You** additional metered water charges incurred by **You** as a result of **Damage** from an **Insured Event** under this **Certificate** except those in respect of any loss which has not been discovered and remedial action taken within thirty days of the occurrence of the **Damage** provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed GBP 5,000.

Book Debts

In the event of **Damage** following an **Insured Event** under



this Section to **You** books of account or other business books or records and **You** are in consequence thereof, unable to trace or establish the **Outstanding Debit Balances** in whole or in part due to **You**, then the **Underwriters** will pay to **You** the amount of loss resulting from such **Damage** in accordance with the provisions herein contained.

The insurance hereunder is limited to the loss sustained by **You** in respect of **Outstanding Debit Balances** directly due to the **Damage** and the amount payable in respect of any one occurrence of **Damage** shall not exceed:

1. the difference between:
 - a) **Outstanding Debit Balances**; and
 - b) the total of the amounts received or traced in respect thereof;
2. the additional expenditure incurred with the previous consent of the **Underwriters** in tracing and establishing Customers' debit balances after the **Damage** provided that if the **Sum Insured** by this Item be less than the **Outstanding Debit Balances** the amount payable shall be proportionately reduced

provided further that the liability of **Underwriters** shall not exceed the **Sum Insured** stated in the **Schedule**.

The **Underwriters** will pay the reasonable charges payable by **You** to **Your** professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by the **Underwriters** under the terms of this **Certificate** and reporting that such particulars or details are in accordance with **Your** books of account or other business books or documents, provided that the sum of the amount payable under this extension and that amount otherwise payable under this Section shall in no case exceed the total **Sum Insured** hereby.

Capital Additions

Subject to **Damage** arising from an **Insured Event** under this **Certificate**, **Underwriters** agree to extend cover to include:

1. any newly acquired and/or newly erected **Buildings** or **Buildings** in the course of erection (excluding any property for which a building contractor is responsible) insofar as the same are not otherwise insured;
2. alterations, additions and improvements to **Buildings** (but not in respect of any appreciation in value) anywhere in the United Kingdom provided that:
 - a) at any one location this cover shall not exceed 10% of the **Sum Insured** by this Section but in no case exceeding GBP 1,000,000;
 - b) **You** undertake to give particulars of such extension of cover as soon as practicable and in any event within six months of any newly acquired and/or newly erected **Buildings** or alterations, additions and improvements to **Buildings** and to effect specific insurance thereon retrospective to the date of the commencement of the **Underwriters'** liability.

Damage to Landscaped Gardens

Underwriters agree to extend cover to include the cost

of restoring any **Damage** to landscaped gardens including trees caused by the Emergency Services in attending the **Premises** following an **Insured Event** provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed GBP 25,000.

Damage to Cables and Underground Pipes

Subject to **Damage** following an **Insured Event** under this **Certificate** **Underwriters** agree to extend cover to include the cost of repairing **Damage** for which **You** are responsible to cables and underground pipes and drains (and their inspection covers) on the **Property Insured** or connecting them to the public mains subject to the terms and conditions of the **Certificate** provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed GBP 5,000.

Glass

Underwriters will pay **You**, following breakage of **Glass** at the **Premises** as specified in the **Schedule**:

1. the reasonable cost of boarding up rendered necessary by such breakage;
2. the reasonable cost of repairing or replacing window frames and framework consequent upon the breakage of **Glass**;
3. the reasonable cost of refitting alarm foil consequent upon the breakage of **Glass**.

The liability of the **Underwriters** under this extension does not cover:

- a) the amount of the **Excess** specified in the **Schedule**;
- b) consequential loss of any kind or description except as stated herein to the contrary;
- c) any breakage arising directly or indirectly from:
 - i. alterations or repairs to the **Premises** or occurring whilst the **Premises** are empty or not in use; or
 - ii. defects in frames, framework or other fittings

provided that the liability of **Underwriters** shall not exceed the **Sum Insured** stated in the **Schedule** at the time of the **Damage**.

Personal Possessions

Subject to **Damage** arising from an **Insured Event** under this **Certificate**, **Underwriters** agree to extend cover to include **Your** directors', partners', customers', visitors' and **Employees'** personal effects of every description (other than motor vehicles) within the **Premises** insofar as they are not otherwise insured and for an amount not exceeding GBP 500 in respect of any one person.

Removal of Debris Tenants Contents

Following an **Insured Event** under this Section **Underwriters** will pay **You** the irrecoverable costs and expenses (insofar as they are not otherwise insured) necessarily incurred by **You** with the consent of the **Underwriters** in removing from the **Property Insured** the debris of contents (not being **Your** property) as a result of **Damage** hereby insured against.



The **Underwriters** will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such property destroyed or **Damaged** and the area immediately adjacent to such site;
2. arising from pollution or contamination of property not insured by this Section

provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed GBP 5,000.

Theft of Keys

Underwriters will pay **You** the reasonable costs necessarily incurred in replacing external door locks at the **Premises** if there is reasonable evidence that the keys have been duplicated by an unauthorised person or following the loss of keys by:

1. theft from the **Premises** or registered office or from **Your** home or the home of any of **Your** principals, directors, partners or **Employees** authorised to hold such keys;
2. theft following hold up whilst such keys are in **Your** personal custody or the personal custody of any of **Your** principals, directors, partners or **Employees** authorised to hold such keys

provided that the maximum amount payable under this extension in any one **Period of Insurance** shall not exceed GBP 1,000.

Trace and Access

Underwriters will pay **You** the reasonable costs necessarily incurred in locating the source and subsequent making good of **Damage** resulting from:

1. the escape of water from any tank, apparatus or pipe serving the **Premises**
2. accidental **Damage** to cables, underground pipes and drains serving the **Premises**

provided that in respect of 1. the **Defined Peril** of escape of water from any tank apparatus or pipe is operative and in respect of 2. PO1 - **Accidental Damage Extension** is operative.

The maximum amount payable under this extension shall not exceed in any one **Period of Insurance** GBP 5,000.

Unauthorised Use of Utilities

Underwriters will pay **You** the cost of metered electricity, gas or water for which **You** are legally responsible arising from its unauthorised use by persons taking possession, keeping possession, or occupying the **Premises** without **Your** authority provided that **You** shall take all practical steps to terminate such unauthorised use as soon as it is discovered and provided further that the maximum amount payable under this extension shall not exceed in any one **Period of Insurance** GBP 10,000.

CONDITIONS APPLICABLE TO SECTION 1 – BUILDINGS

Mortgagee(s) and Other Interests

The interest of the mortgagee(s) in the **Property Insured** to which their interest applies is noted. Such interest must be advised to the **Underwriters** in the event of **Damage**. In addition, if, without the knowledge of the mortgagee, there is a change in the use of the **Premises** which constitutes an increase in the risk of **Damage**, cover under this **Certificate** shall not be prejudiced provided that the mortgagee shall immediately, on becoming aware thereof, give notice in writing to the **Underwriters** and on demand pay such reasonable additional premium as the **Underwriters** may require.

Subrogation Waiver

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

1. any company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to **You** as defined in the Companies Act or the Companies (N.I.) Order or any subsequent act or order current at the time of **Damage**;
2. any company which is a Subsidiary of a Parent Company of which **You** are a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order or any subsequent act or order current at the time of **Damage**;
3. any tenant provided that:
 - a) the **Damage** did not result from a criminal, fraudulent or malicious act of the tenant; and
 - b) the tenant has contributed to the cost of insuring the **Property Insured** against the event which caused the **Damage**.

Value Added Tax

To the extent that **You** are registered with and accountable to or should, according to the applicable laws at the time, be registered with and accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.

SECTION 2 - RENTAL INCOME

COVER

Following an **Insured Event** under Section 1 and the **Business** carried on by **You** at the **Premises** stated in the **Schedule** being interrupted or interfered with, the **Underwriters** will pay **You** the amount of loss arising as a result in accordance with the following provisions:

The insurance is limited to loss due to:

1. loss of **Gross Rentals**;
2. increase in cost of working;



and the amount payable as indemnity thereunder shall be:

- a) the amount by which the **Gross Rentals** during the **Indemnity Period** shall, in consequence of the **Damage**, fall short of the **Standard Gross Rentals**;
- b) the additional expenditure necessarily and reasonably incurred including the cost of re-letting the **Premises** (including legal fees) for the sole purpose of avoiding or diminishing the loss of **Gross Rentals** which, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction in **Gross Rentals** thereby avoided

less any sum saved during the **Indemnity Period** in respect of such charges or expenses of the **Business** as may cease or be reduced in the consequence of the **Damage** provided that:

- i. payment shall have been made or liability admitted under Section 1 of this **Certificate** in respect of such **Damage**;
- ii. if the **Sum Insured** by this Section be less than the **Annual Gross Rentals** (or a proportionately increased multiple thereof where the maximum **Indemnity Period** exceeds twelve months) the amount payable shall be proportionately reduced.

Alternative Trading

If during the **Indemnity Period** accommodation shall be provided or services rendered elsewhere other than at the **Premises** for the benefit of the **Business** either by **You** or others on **Your** behalf the money paid or payable in respect of such accommodation and services shall be brought into account in arriving at the **Gross Rentals** during the **Indemnity Period**.

Automatic Rent Review

Where the **Gross Rentals** are subject to a rent review during the **Period of Insurance** the relevant **Sum Insured** will be automatically increased to reflect the revised **Gross Rentals** earned up to a maximum increase of 100% of the **Sum Insured** on **Gross Rentals** stated in the **Schedule**.

No additional premium will be charged for this increase in cover during the **Period of Insurance** provided that **You** advise **Underwriters**, prior to renewal, of the revised **Gross Rentals** for the ensuing **Period of Insurance**.

Bomb scare or Unlawful Occupation

This Section extends to include interruption of or interference with the **Business** due to:

1. the suspected or actual presence of an incendiary or explosive device on or in the vicinity of the **Premises**;
2. occupation of the **Premises** or other property in the vicinity by members of a terrorist or criminal organisation or unlawful occupants, provided the **Underwriters** will not be liable for:
 - a) any incident involving an interruption of less than forty eight hours duration;
 - b) any period other than the actual period of prevention or hindrance of access to the **Premises**;

- c) eviction costs.

This extension shall only apply for the period beginning with the loss and ending not later than three months thereafter during which the results of the **Business** shall be affected in consequence of 1. or 2. above.

Buildings Awaiting Sale

If at the time of the **Damage**, **You** have contracted to sell **Your** interest in the **Buildings** and the sale is cancelled or delayed solely in consequence of the **Damage**, the amount payable under this Section may, at **Your** option, be amended as follows:

1. during the period prior to the date upon which, but for the **Damage**, the sale of the **Buildings** would have been completed, **We** will pay **You** the reduction in **Gross Rentals**, being the amount by which the **Gross Rentals** earned during the **Indemnity Period** will, in consequence of the **Damage**, fall short of the **Standard Gross Rentals**; or
2. during the period commencing with the date upon which but for the **Damage**, the sale of the **Buildings** would have been completed and ending with the actual date of sale or with the expiry of the **Indemnity Period** if earlier, **We** will pay **You** the loss of interest, being:
 - a) reasonable interest actually incurred on capital borrowed in connection with the **Business** solely to replace (in whole or in part) the loss of use of the sale proceeds;
 - b) reasonable investment interest lost on any balance of the sale proceeds (after deduction of any capital borrowed as provided for under a) above); or
3. additional expenditure necessarily and reasonably incurred by **You** for the sole purpose of avoiding or minimising the loss payable under 1. or 2. above, but not exceeding the amount of the reduction avoided by such expenditure

provided that the liability of the **Underwriters** under this extension and the Section will not exceed the **Sum Insured** set against the item on **Gross Rentals** in the **Schedule** plus any payment under the Automatic Rent Review extension in any one **Period of Insurance**.

Capital Additions

This Section extends to include, within the **Sum Insured**, **Gross Rentals** in respect of:

1. alterations, additions, extensions and improvements to the **Premises** insured;
2. newly acquired and/or newly erected buildings anywhere in the United Kingdom provided they are not otherwise insured

provided that:

- a) at any one **Premises** the cover shall not exceed 10% of the total **Sum Insured** on **Gross Rentals** or GBP1,000,000 whichever is the less;
- b) **You** undertake to give particulars of such extension of cover as soon as practicable and in any event within six



months of any newly acquired and/or newly erected buildings or alterations, additions and improvements to buildings and to effect specific insurance thereon retrospective to the date of the commencement of the **Underwriters** liability.

Denial of Access

Damage to property in the vicinity of the **Premises** which prevents or hinders the use of the **Premises** or access thereto whether **Your Premises** shall be **Damaged** or not (but excluding **Damage** to property of any supply undertaking from which **You** obtain electricity, gas or water or telecommunications services which prevent or hinder the supply of such services) shall be deemed to be loss resulting from **Damage** to property at the **Premises**.

Loss or Damage at Managing Agents Premises

Damage to property at the **Premises** of **Your** Managing Agent shall be deemed to be loss resulting from **Damage** to **Property Insured** at the **Premises**.

Failure of Public Supply

Damage to property at any;

1. generating station or substation of the public electricity supply undertaking;
2. land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith;
3. water works and pumping stations of the public water supply undertaking;
4. land based premises of the public telecommunications undertaking

from which **You** obtain electricity, gas, water or telecommunication services within the **Territorial Limits** shall be deemed to be loss resulting from **Damage** to **Property Insured** at the **Premises**.

Loss of Attraction

Damage to property in the vicinity of the **Premises** which shall deter potential tenants (whether **Your Premises** or property therein shall be **Damaged** or not) shall be deemed to be a loss resulting from **Damage** to **Property Insured** at the **Premises** provided that the maximum amount payable under this extension in any **Period of Insurance** shall not exceed:

1. GBP 50,000 or the **Sum Insured** in respect of each **Premises** whichever is the less;
2. GBP 250,000 in aggregate.

Murder Suicide or Disease

The **Underwriters** shall indemnify **You** under this Section in respect of **Damage** resulting from interruption of, or interference with, the **Business** during the **Indemnity Period** following:

1. any human infectious or human contagious disease an outbreak of which the local authority has stipulated shall be notified to them manifested by any person whilst in the **Premises** or within a twenty five miles radius of it;

2. murder or suicide in the **Premises**;
3. **Injury** or illness sustained by any person arising from, or traceable to, foreign or injurious matter in food or drink provided in the **Premises**;
4. vermin or pests in the **Premises**;
5. the closing of the whole or part of the **Premises** by order of a competent public authority consequent upon defect in the drains or other sanitary arrangements at the **Premises**.

The insurance by this extension shall only apply for the period beginning with the occurrence of the loss and ending not later than three months thereafter, during which the results of the **Business** shall be affected in consequence of the **Damage**.

New Business

For the purpose of any claim arising from **Damage** occurring before the completion of the first year's trading of the **Business** at the **Premises**, Definitions **Annual Gross Rentals** and **Standard Gross Rentals** shall bear the following meanings and not as within stated:

1. Annual Gross Rentals

The proportional equivalent for a period of twelve months of the **Gross Rentals** realised during the period between the commencement of the **Business** and the date of the **Damage**;

2. Standard Gross Rentals

The proportional equivalent for a period equal to the **Indemnity Period** of the **Gross Rentals** realised during the period between the commencement of the **Business** and the date of the **Damage** to which adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variation in or special circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable, the results which, but for the **Damage**, would have been obtained during the relative period after the **Damage**.

Other Insurances

If at the time of any **Damage** resulting in a loss under this Section there be any other insurance effected by **You** or on **Your** behalf covering such loss or any part of it, the liability of the **Underwriters** hereunder shall be limited to their rateable proportion of such loss.

Payments on Account

Following an **Insured Event** the **Underwriters** will make monthly payments to **You** on account during the **Indemnity Period** if desired.

Professional Accountants Charges

The **Underwriters** will indemnify **You** in respect of reasonable fees payable by **You** to **Your** professional accountants for producing any particulars or details contained in **Your** business books or documents or other such proofs, information or evidence as the **Underwriters**



may require under the terms of the Claims Duties Section of the **Certificate** Conditions and also for reporting that such particulars or details are in accordance with **Your** business books or documents.

Rent Free Period

If, at the date of the **Damage**, any **Premises** are subject to a rent free period under the terms of the lease then the **Indemnity Period** stated in the **Schedule** shall be adjusted by adding the unexpired portion of the rent free period to the number of years shown in the **Schedule** provided that the **Underwriters** liability does not exceed the **Sum Insured** stated in the **Certificate**.

Value Added Tax

To the extent that **You** are registered with and accountable to or should, according to the applicable laws at the time, be registered with and accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such.

SECTION 3 - PROPERTY OWNERS LIABILITY

Cover

The **Underwriters** will indemnify **You** against all sums **You** shall become legally liable to pay as damages and claimants costs and expenses arising out of events occurring during the **Period of Insurance** in the course of the **Business** causing accidental:

1. **Injury** to any person other than an **Employee**;
2. **Damage** to material property;
3. nuisance or trespass, obstruction, loss of amenities or interference with any right of way, air, light or water or other easement;
4. wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy

occurring within the **Territorial Limits**.

Additional Persons Insured

This Section shall extend to include, in the event of the death resulting from **Injury** of any person entitled to indemnity under this Section, the deceased's legal personal representatives but only in respect of liability incurred by such deceased person.

In addition, at **Your** request the **Underwriters** will indemnify under the terms of this Section **Your** directors or **Employees** in respect of liability arising in connection with the ownership of the **Premises** described in the **Schedule** provided always that:

1. each such additional person insured shall, as though they were **You**, observe, fulfil and be subject to the terms of this **Certificate** insofar as they can apply;
2. the **Underwriters** shall retain the sole conduct and control of all claims.

Compensation for Court Attendance

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

1. any of **Your** directors or partners: GBP 250
2. any **Employee**: GBP 100

Corporate Manslaughter and Corporate Homicide Act 2007

Cover under this Section extends to indemnify **You** in respect of legal costs and expenses incurred with **Underwriters'** prior written consent in connection with the defence of any criminal proceedings (including any appeal against conviction arising from any such proceedings) brought in respect of a charge and or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man committed or alleged to have been committed during the **Period of Insurance** in the course of the **Business** provided always that:

1. **Underwriters'** liability under this extension shall not exceed GBP 5,000,000 in any one **Period of Insurance** or the **Limit of Indemnity** stated in the **Schedule** whichever is the lesser. This limit will form part of and not be in addition to the **Limit of Indemnity** stated in the **Schedule**;
2. this extension shall apply only to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;
3. **Underwriters** must consent in writing to the appointment of any solicitor or counsel who are to act for and on **Your** behalf;
4. **You** shall give immediate notice to **Underwriters** of any summons or other process served upon **You** which may give rise to proceedings under this extension;
5. in relation to any appeal, counsel has advised there are strong prospects of such appeal succeeding;
6. **Underwriters** shall be under no liability:
 - a) where **You** have committed any deliberate or intentional criminal act giving rise to a corporate manslaughter or corporate homicide charge;
 - b) in respect of fines or penalties of any kind;
 - c) in respect of the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of breach of:
 - i. The Health and Safety at Work Act 1974 or the Health and Safety at Work Act (Northern Ireland) Order 1978 or any regulations made thereunder;
 - ii. The Food Safety Act 1990 or any regulations made thereunder;
 - iii. The Consumer Protection Act 1987 or any regulations made thereunder;
 - d) where indemnity for defence costs is available from any other source or is provided by any other



insurance or where, but for the existence of this extension, indemnity would have been provided by such other source or insurance;

7. where the **Underwriters** have already indemnified **You** in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and or investigation connected with the corporate manslaughter or corporate homicide under another Section of the **Certificate** the amount paid under that Section will be taken into account in arriving at the **Underwriters'** liability payable under this extension.

Cross Liabilities Clause

If more than one of **You** is referred to in the **Schedule**, each of **You** so named shall be considered as a separate and distinct entity and the word **You** shall be construed as applying to each of **You** in the same manner as if a separate **Certificate** had been issued to each provided always that the liability of the **Underwriters** for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed, in the aggregate, the **Limit of Indemnity** stated in the **Schedule** irrespective of the number of insured parties involved.

Data Protection Act

The **Underwriters** will indemnify **You** in respect of liability arising under Article 82 of Regulation (EU) 2016/679 (the "General Data Protection Regulation" or the "GDPR") and equivalent provision under the Data Protection Act 2018 (all as amended, updated or re-enacted from time to time) provided that:

1. the process of registration under the above Regulation or Act has been commenced or completed by **You** and the application has not been refused or withdrawn;
2. no liability arises as a result of the provision by **You** of the services of a computer bureau.

The **Underwriters** shall not be liable in respect of:

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

The total liability of the **Underwriters** including all costs and expenses in this respect shall not exceed GBP 250,000 during any one **Period of Insurance**, such amount being included within and not additional to the **Limit of Indemnity**.

Defective Premises Act

This Section, subject otherwise to the terms of the **Certificate** and within the **Limit of Indemnity**, extends to indemnify **You** against liability for **Injury** or **Damage** arising solely by reason of Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern

Ireland) Order 1975 in respect of any **Premises** previously owned for purposes pertaining to the **Business** and since disposed of by **You** provided that:

1. this extension shall not indemnify **You** in respect of **Damage** to the land or **Premises** disposed of or in connection with the cost of rectifying any defect or alleged defect therein;
2. the **Underwriters** will not be liable under this extension if **You** are entitled to indemnity under any other insurance.

Discharge of Liability Clause

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

Limit of Liability

The liability of the **Underwriters** for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause, shall not exceed the **Limit of Indemnity** stated in the **Schedule** irrespective of the number of insured parties involved.

In addition, the **Underwriters** will pay:

1. all other defence costs and expenses incurred with their prior written consent;
2. the legal costs and expenses incurred with their written consent for the defence of prosecution brought under Section 36 or 37 of the Health and Safety at Work Act 1974 for any alleged offence as detailed in Section 33(1) (a) (b) or (c) of the Act or under the Health and Safety at Work (Northern Ireland) Order 1978 under Article 31 including legal costs and expenses incurred with the consent of the **Underwriters** in an appeal against conviction arising from such proceedings provided that:
 - a) the proceedings relate to the health, safety and welfare of persons other than **Employees**;
 - b) the **Underwriters** will not indemnify **You** in respect of:
 - i. fines and penalties;
 - ii. costs or expenses insured elsewhere.

EXCLUSIONS APPLYING TO SECTION 3

The **Underwriters** shall not be liable under this Section for:

1. any liability assumed by **You** by a contract or agreement entered into by **You** and which would not have attached in the absence of such agreement;
2. loss of or **Damage** to:
 - a) property belonging to **You**;
 - b) property which is leased, let, rented, hired or lent to or which is the subject of a bailment to **You**;
3. **Injury**, loss or **Damage** caused by, or in connection with, or arising out of the ownership, possession or use by or on behalf of **You** of any:



- a) aircraft, hovercraft or watercraft;
 - b) mechanically propelled vehicle or trailer attached thereto (other than motorised garden implements whilst stored at the **Premises** or being used to maintain the land at the **Premises** described in the **Schedule**) and any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation;
 - c) lift, elevator, hoist, crane, steam boiler or other apparatus operating under pressure, for which a statutory inspection certificate is required but not in force at the time of the **Injury**, loss or **Damage**;
4. any sums for which **You** are/or become liable to pay as a result of any claim(s) made against **You** or for any associated defence costs or expenses of any kind from any liability arising directly or indirectly out of:
- a) loss or alteration or **Damage** to, and/or
 - b) a reduction in the functionality availability or operation of a computer system or programme, hardware, data information repository, microchip, integrated circuit or similar device in computer equipment or non-computer equipment as a result of **Your** e-activities.

For the purpose of this exclusion, e-activities means any use of electronic networks including the internet and private networks, intranets, extranets, electronic mail, worldwide web and similar medium carried out by the **Insured** or by any person, persons, partnership, firm or company acting for **You** or on **Your** behalf;

5. any sums **You** are/or become liable to pay but for the existence of the Section would be covered elsewhere except in respect of any excess beyond the amount payable under such other insurance had this insurance not been effected.

SECTION 4 - EMPLOYERS LIABILITY

COVER

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

Limit of Indemnity

The liability of the **Underwriters** under this Section for damages, costs and expenses payable in respect of any one claim or series of claims against **You** arising out of one

event shall not exceed the amount stated in the **Schedule**.

Costs and expenses shall be deemed to mean:

1. costs and expenses of claimants for which **You** are legally liable;
2. other costs and expenses incurred with the **Underwriters'** written consent in respect of any claim which may be the subject of indemnity under this Section;
3. solicitors' fees incurred with the **Underwriters'** written consent for:
 - a) defence in any Court of Summary Jurisdiction of any proceedings brought against **You** in respect of breach or alleged breach of any statutory duty resulting in **Injury**;
 - b) representation at a Coroners Court or Fatal Accident Inquiry in respect of any death

which may be the subject of indemnity under this Section;

4. legal costs and expenses incurred with the **Underwriters'** written consent by **You** and, at **Your** request, by any of **Your** directors or **Employees**, and costs awarded against **You** or the directors or **Employees** arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the **Period of Insurance** under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - a) the proceedings relate to the health, safety or welfare of **Employees**;
 - b) the **Underwriters** will not indemnify **You** in respect of:
 - i. proceedings consequent upon a deliberate act by or omission by **You**, any of **Your** directors or **Employees**;
 - ii. fines or penalties of any kind or the costs of appeal against improvement or prohibition notices; or
 - iii. costs and expenses insured by any other policy;
5. legal costs and expenses incurred with the **Insurer's** written consent by **You**, and costs awarded against **You** arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of the defence of criminal proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation provided that:
 - a) the liability of the **Underwriters** for all legal costs and expenses payable in any one **Period of Insurance** shall not exceed the sum of GBP 5,000,000 or the **Limit of Indemnity** stated in the **Schedule** whichever is the lesser and will form part of and not be in addition to the **Limit of Indemnity** stated in the **Schedule**;
 - b) the proceedings relate to an actual or alleged offence committed during the **Period of Insurance** within the **Territorial Limits** and in connection with the **Business**;



- c) the **Underwriters** will not indemnify **You** in respect of:
 - i. proceedings which result from any deliberate act or omission by **You**;
 - ii. any fines or penalties of any kind;
 - iii. any remedial or publicity orders or any steps required to be taken by such orders;
 - iv. costs and expenses insured by any other policy.

Additional Persons Insured

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

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

- c) any officer, committee or member of **Your** canteen, sports, social or welfare organisations, or of fire, security, first aid, medical or ambulance services in their respective capacities as such;
- d) any of **Your** directors or senior officials in respect of private work undertaken by any **Employee** for such director or senior official provided that:
 - i. each person shall, as though he were **You**, observe, fulfil and be subject to the terms of this Section insofar as they can apply; and
 - ii. the **Underwriters** shall retain the sole conduct and control of all claims.

Compensation for Court Attendance

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

1. any of **Your** directors or partners: GBP 250
2. any **Employee**: GBP 100

Right of Recovery

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

Unsatisfied Court Judgements

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

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

SECTION 4 – EMPLOYERS LIABILITY EXCLUSIONS

The **Underwriters** shall not be liable under this Section for:

1. so far as concerns the liability of any principal or liability assumed by **You** under agreement, and which would not have attached in the absence of such agreement, any liability of whatsoever nature directly or indirectly caused by or contributed to by, or arising from:
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
2. any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation;
3. any liability arising out of work undertaken or operations located **Offshore**;
4. more than GBP 5,000,000 including claimant's costs, defence costs and under all extensions in respect of any one claim or series of claims (regardless of the number of claimants) arising out of one event which falls within the definition of **Terrorism** under this **Certificate**;
5. more than GBP 5,000,000 including claimant's costs, defence costs and under all extensions in respect of any



one claim or series of claims (regardless of the number of claimants) directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sale of, installation of, survey or investigation of, management of, removal or distribution of, existence of or exposure to asbestos products, asbestos fibres or asbestos dust or property or materials containing any of the foregoing.

CERTIFICATE EXCLUSIONS

The following **Certificate** Exclusions are applicable to Sections One, Two, Three and Four unless otherwise stated:

Asbestos Exclusion

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

Building Works Exclusion

This **Certificate** does not cover any loss, **Damage** or liability caused by or arising out of **Building Works**.

Contamination and Pollution Exclusion

1. This **Certificate** shall not cover any liability, loss or **Damage** due to contamination, soot, deposit, impairment with dust, chemical precipitation, poisoning, epidemic and disease including but not limited to foot and mouth disease, pollution, adulteration or impurification or due to any limitation or prevention of the use of objects because of hazards to health.
2. This exclusion does not apply if such loss or **Damage** arises out of one or more of the following perils:
 - a) fire, lightning, explosion, impact of aircraft;
 - b) vehicle impact, sonic boom;
 - c) accidental escape of water from any tank, apparatus or pipe;
 - d) riot, civil commotion, malicious damage;
 - e) storm, hail;
 - f) flood inundation;
 - g) earthquake;
 - h) landslide, subsidence;
 - i) pressure of snow, avalanche;
 - j) volcanic eruption

Electronic Data Exclusion

1. This **Certificate** shall not cover any loss, **Damage**, destruction, distortion, erasure, corruption or alteration of **Electronic Data** from any cause whatsoever (including but not limited to **Computer Virus**) or loss of use, reduction in functionality, cost,

expense of whatsoever nature resulting therefrom regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

However, in the event that a fire or explosion peril results from any matters described in the above paragraph this **Certificate**, subject to all its terms, conditions and exclusions will cover physical **Damage** occurring during the **Period of Insurance** to the **Property Insured** directly caused by such peril.

2. Should electronic data processing media insured by this **Certificate** suffer physical loss or **Damage** insured by this **Certificate**, then the basis of valuation shall be the cost of the blank media plus the costs of copying the **Electronic Data** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such **Electronic Data**. If the media is not repaired, replaced or restored, the basis of valuation shall be the cost of the blank media. However this **Certificate** does not insure any amount pertaining to the value of such **Electronic Data** to **You** or any other party, even if such **Electronic Data** cannot be recreated gathered or assembled.

Institute Radioactive Contamination Exclusion

This exclusion shall be paramount and shall override anything contained in this **Certificate** inconsistent therewith:

In no case shall this **Certificate** cover loss, **Damage**, liability or expense directly or indirectly caused by or contributed to by or arising from:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
3. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

Micro-Organism Exclusion

This **Certificate** does not cover any loss, **Damage**, liability or expense directly or indirectly caused by or contributed to by or arising from mould, mildew, fungus, spores or other micro-organism of any type, nature or description including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is:

1. any physical loss or **Damage** to **Property Insured**;
2. any **Defined Peril** or cause whether or not contributing concurrently or in any sequence;
3. any loss of use, occupancy or functionality;
4. any action required including, but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation or steps taken to address medical or legal concerns.



Northern Ireland Overriding Exclusion

Notwithstanding anything within the **Certificate** or in any extensions thereof it is hereby declared and agreed that as an exclusion overriding all other terms (including the nature and terms of perils insured against) this **Certificate** does not cover loss or destruction of or **Damage** to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence directly or indirectly of:

1. civil commotion;
2. any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **Unlawful Association**.

In any action, suit or other proceedings where **Underwriters** allege that by reason of the provisions of this exclusion any loss, destruction or **Damage** or consequential loss is not covered by this **Certificate** the burden of proving that such loss is covered shall be upon **You**.

Nuclear Energy Risks Exclusion

This **Certificate** shall exclude Nuclear Energy Risks whether such risks are written directly and/or via Pools and/or Associations.

For the purpose of this **Certificate**, Nuclear Energy Risks shall be defined as all first party and or third party insurances in respect of:

1. nuclear reactors and nuclear power stations or plant;
2. any other premises or facilities whatsoever related to or concerned with:
 - a) the production of nuclear energy; or
 - b) the production or storage or handling of nuclear fuel or nuclear waste;
3. any other premises or facilities eligible for insurance by any local Nuclear Pool and/or Association.

Sonic Bangs Exclusion

This **Certificate** does not cover **Damage** caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Terrorism Exclusion

This **Certificate** excludes loss, **Damage**, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, arising out of or in connection with any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This **Certificate** also excludes loss, **Damage**, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**.

If **Underwriters** allege that by reason of this exclusion, any loss, **Damage**, liability, cost or expense is not covered by this **Certificate**, the burden of proving the contrary shall be upon **You**. In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall

remain in full force and effect.

War and Civil War Exclusion

This **Certificate** does not cover loss or **Damage** directly or indirectly occasioned by, happening through, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of, or **Damage** to, property by or under the order of any government or public or local authority.

CERTIFICATE CONDITIONS

The following **Certificate** Conditions are applicable to Sections One, Two, Three and Four unless otherwise stated:

Arbitration

If any difference shall arise as to the amounts to be paid under this **Certificate** (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **Underwriters**.

Asbestos

This **Certificate** only insures asbestos physically incorporated in an insured **Building** or structure, and then only provides indemnity in respect of that part of the asbestos which has been physically **Damaged** during the **Period of Insurance** by one of these listed **Defined Perils**:

1. fire;
2. lightning;
3. explosion; or
4. aircraft

This coverage is subject to all limitations in the **Certificate** and, in addition, to each of the following specific limitations:

- a) the said **Building** or structure must be insured under this **Certificate** for **Damage** by a listed **Defined Peril**;
- b) the listed **Defined Peril** must be the immediate sole cause of the **Damage** to the asbestos;
- c) the **Insured** must report to the **Underwriters** the existence and cost of the **Damage** as soon as practicable after the first **Damage** to the asbestos.

However this **Certificate** does not insure any such **Damage** first reported to the **Underwriters** more than twelve months after the expiration or termination of the **Period of Insurance**.

This **Certificate** shall provide no cover (whether for physical **Damage**, business interruption, delay of repair or other consequential loss) in respect of:

- i wear and tear or inherent defect, quality or vice in or



- of any asbestos;
- ii. any compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) of any person in connection with the design, manufacture, installation, use, retention, treatment, management, repair, replacement, or removal of any asbestos (**Damaged** or otherwise); or
- iii. any asbestos which the listed **Defined Peril** has not physically **Damaged**.

Cancellation

This **Certificate** may be cancelled at any time at **Your** request by writing to **Your** insurance advisor, and, provided that:

1. no claims have been made under the **Certificate** for which **Underwriters** have made a payment;
2. no claims have been made under the **Certificate** which are still under consideration;
3. no incident has occurred which is likely to give rise to a claim but has yet to be reported to **Underwriters**

then the premium will be adjusted on the basis of the **Underwriters** receiving or retaining a minimum of 33.33% of the annual premium in respect of Sections 1 and 2 of the **Certificate** and 100% of the annual premium in respect of Sections 3 and 4 of the **Certificate**, but where the **Premises** are declared as being **Unoccupied** at inception of the **Certificate**, the amount retained by **Underwriters** in respect of Sections 1 and 2 is amended as follows:

Period of Insurance	% of premium retained
Up to four months	50%
Up to five months	60%
Up to six months	70%
Up to seven months	80%
Up to eight months	90%

No return premium is applicable for periods in excess of eight months.

The premium in respect of Sections 3 and 4 is earned in full and no return premium is available for these Sections. The cost(s) of any survey fees incurred by **Underwriters** will be deducted from any return premium due.

Notwithstanding anything contained within the Survey Clause, this **Certificate** may also be cancelled by or on behalf of the **Underwriters** by fourteen days' notice given in writing to the **Insured** at his last known address, and the premium hereon shall be adjusted on the basis of the **Underwriters** receiving or retaining pro rata premium. Notice shall be deemed to be duly received in the course of the post if sent by pre-paid letter properly addressed.

Claims – Your Duties

On the happening of any event which may give rise to a claim **You** shall:

1. Applicable to all Sections:

- a) notify GB Underwriting Ltd via **Your** insurance advisor as soon as reasonably possible, but in any event within thirty days. Such notice must be addressed to GB Underwriting Ltd, Little Braxted Hall, Little Braxted, Witham, Essex CM8 3EU (Email: claims@gbunderwriting.co.uk);
- b) take all practicable steps to recover property lost and otherwise minimise the claim;
- c) inform the police immediately and GB Underwriting Ltd within fourteen days if the **Damage** is caused by thieves, malicious persons or vandals or by riot, civil commotion, strikes or labour disturbances;
- d) give all information and assistance the **Underwriters** may require in a timely manner.

2. Applicable to Section 1 – Buildings:

- a) within thirty days or such further time as the **Underwriters** may in writing allow, deliver to GB Underwriting Ltd a written claim providing, at the **Insured's** own expense, all details, proofs and information regarding the cause and amount of **Damage** as the **Underwriters** may reasonably require including any other insurances on any **Property Insured** by this **Certificate** and (if demanded) a statutory declaration of the truth of the claim and of any related matters;
- b) if any **Property Insured** is to be reinstated or replaced by the **Underwriters**, **You** shall, at **Your** own expense, provide all such plans, documents, books and information as may be reasonably required;
- c) in certain circumstances **Underwriters** may require sight of freehold title or the lease which must be provided by **You** within thirty days of any such a request.

It is important that **You** comply with the terms of this condition otherwise **Your** claim may not be paid.

3. Applicable to Section 2 - Rental Income:

- a) within fourteen days after the expiry of the **Indemnity Period** or within such further time as the **Underwriters** may in writing allow, at **Your** own expense, deliver to GB Underwriting Ltd a statement setting out particulars of the claim together with details of all other insurances covering any part of the **Damage** or resulting loss of rental income;
- b) at **Your** own expense, also provide the **Underwriters** with such books of account and other business books, vouchers, invoices, balance sheets, and other documents, proofs, information, explanations and other evidence as may reasonably be required by the **Underwriters** for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claim and of any related matters.

It is important that **You** comply with the terms of this condition otherwise **Your** claim may not be paid or any



payment of the claim already made on account may have to be repaid to the **Underwriters**.

4. Applicable to Section 3 – Property Owners Liability and Section 4 – Employers Liability:
 - a) not make or allow to be made on **Your** behalf any admission, offer, promise, payment or indemnity without the written consent of the **Underwriters**;
 - b) forward to GB Underwriting Ltd every letter, claim, writ, summons and process immediately upon receipt, without acknowledgement;
 - c) advise GB Underwriting Ltd in writing immediately **You** have any knowledge of any impending prosecution, inquest, fatal accident or Ministry Enquiry.

Claims – Underwriters’ Rights

1. On the happening of **Damage** in respect of which a claim is made, the **Underwriters** may, without thereby incurring any liability or diminishing any of the **Underwriters’** rights under this **Certificate**, enter, take or keep possession of the **Premises** where such **Damage** has occurred and take possession of, or require to be delivered to **Us**, any property and deal with such property for all reasonable purposes and in any reasonable manner.

No property may be abandoned to the **Underwriters** whether taken possession of by the **Underwriters** or not.

2. The **Underwriters** shall have full discretion in the conduct of any proceedings and in the settlement of any claim where **Underwriters** have agreed to provide indemnity under this **Certificate**.
3. In the event the amount of claim is reduced under the Claims & Remedy Condition:
 - a) **Underwriters** shall retain their sole rights to conduct the claim including **Your** proportion, but all defence costs shall be met by **Underwriters**; or
 - b) **You** may elect to conduct **Your** proportion of the claim and shall be responsible for **Your** own costs.

Contracts (Rights of Third Parties) Act

The parties to this contract do not intend that any clause or term of this **Certificate** should be enforceable by virtue of the Contracts (Right of Third Parties) Act 1999 by any person who is not a party to this contract.

Personal information

Your insurance cover may include cover for individuals who are either insureds or beneficiaries under the **Certificate** (“individual insureds”). GB Underwriting and the **Underwriters** collect and use relevant information about individual insureds to provide **You** with **Your** insurance cover and to meet our legal obligations.

Your Obligations

To enable **Us** to use individual insureds’ details in accordance with applicable data protection laws, **We** need **You** to

provide those individuals with certain information about how **We** will use their details in connection with **Your** insurance cover.

You agree to provide to each individual insured our personal information notice, which **We** have provided to **You** below, on or before the date that the individual becomes an individual insured under **Your** insurance cover or, if earlier, the date that **You** first provide information about the individual to **Us**.

You must promptly notify **Us** if an individual insured contacts **You** about how **We** use their personal details in relation to **Your** insurance cover so that **We** can deal with their queries.

Personal Information Notice

The basics:

We collect and use relevant information about **You**, to provide the insurance cover that benefits **You** and to meet our legal obligations. This information includes details such as **Your** name, address and contact details and any other information that **We** collect about **You** in connection with the insurance cover from which **You** benefit.

In certain circumstances, **We** may need **Your** consent to process certain categories of information about **You** (including sensitive details such as information about **Your** health and any criminal convictions **You** may have). Where **We** need **Your** consent, **We** will ask **You** for it separately.

The way insurance works means that **Your** information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. **We** will not keep **Your** information for longer than necessary and will only disclose **Your** information in connection with the insurance cover that **We** provide and to the extent required or permitted by law.

Other people’s details **You** provide to **Us**:

Where **You** are providing **Us** with personal information about a person other than **Yourself**, **You** must provide this notice to them.

Your rights

You have rights in relation to the information **We** hold about **You**, including the right to access a copy of **Your** information. If **You** wish to exercise **Your** rights or would like more details about how **We** or Underwriters use **Your** personal information please see GB Underwriting’s full Data Privacy Notice (www.gbunderwriting.co.uk/privacy). A paper copy of the full Data Privacy Notice can be obtained by contacting GB Underwriting by email (info@gbunderwriting.co.uk) or at the address below:



Compliance Department
GB Underwriting Limited
Little Braxted Hall
Little Braxted
Essex
CM8 3EU

E.U. Disclosure Clause

The parties to this **Certificate** are free to choose the law applicable to this **Certificate**. Unless specifically agreed to the contrary this **Certificate** shall be subject to English Law.

Fraud

If any claim be in any respect fraudulent, or if any fraudulent means or devices be used by the **Insured** (or by anyone acting on **Your** behalf) to obtain any benefit under this **Certificate**, or if any **Damage** be occasioned by the wilful act or with the connivance of the **Insured**, then **Underwriters** shall be entitled:

1. not to pay the claim;
2. recover from **You** any sums paid by the **Underwriters** in respect of the claim; and
3. to treat this **Certificate** as being terminated with effect from the time of the fraudulent act.

If the **Certificate** is treated as having been terminated the **Underwriters** shall be entitled to:

- a) refuse all liability under the **Certificate** in respect of the relevant event occurring after the time of the fraudulent act; and
- b) not return any of the premiums paid under the **Certificate**.

Non Invalidation

This **Certificate** shall not be invalidated if there is a change in the use of the **Premises** which constitutes an increase in the risk of **Damage** which is unknown to **You**, provided that, immediately **You** become aware thereof, **You** give notice to **Underwriters** and pay an additional premium if required.

Subrogation

Any claimant under this **Certificate** shall, at the request and at the expense of the **Underwriters**, take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the **Insured** before or after any payment is made by the **Underwriters**.

The **Underwriters** shall be entitled to take over and conduct, in the name of the **Insured**, the defence or settlement of any claim, or to prosecute, in the name of the **Insured**, at **Underwriter's** own expense and for their own benefit, any claim for indemnity or damages or otherwise.

CERTIFICATE DEFINITIONS

Wherever the following words and phrases appear in bold in the **Certificate** they will always have the same meaning:

Annual Gross Rentals

The **Gross Rentals** during the twelve months immediately before the date of the **Damage** to which such adjustments shall be made (as may be necessary to provide for the trend of the **Business** and for variations in or special circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred) so that the figures thus adjusted shall represent, as nearly as may be reasonably practicable, the results which, but for the **Damage**, would have been obtained during the relative period after the **Damage**.

Building(s)

The building(s) situated at the address(es) specified in the **Schedule** which include:

1. landlord's fixtures and fittings;
2. tenants improvements (for which the landlord is responsible under the terms of the lease or other agreement under which the property is let);
3. annexes, gangways, outbuildings and extensions canopies, fixed signs, conveniences, lamp posts and street furniture;
4. walls, gates and fences;
5. drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the **Premises** and extending to the public mains, but only to the extent of **Your** responsibility;
6. yards, car parks, roads and pavements, forecourts, all constructed of solid materials;
7. landscaping, excluding external ponds and lakes

all belonging to **You** or for which **You** are legally responsible.

Building Works

Any works that include removal or alteration of load bearing walls, construction of new buildings and extensions, underpinning, demolition, re-roofing, and installation of cavity wall insulation.

Business

The ownership by **You** of the **Property Insured** including:

1. maintenance, occupation or use of the **Property Insured** by **You**;
2. the provision and management of canteen, sports, social or welfare organisations for the benefit of **Employees** and fire, security, first aid, medical and ambulance services;
3. private work undertaken with **Your** prior consent by **Employees** for any director or senior official.

Certificate

The entirety of the certificate, the **Schedule** and/or any endorsements or amendments (whether or not such endorsements or amendments are agreed prior to the



certificate of insurance coming into force or at any time thereafter).

All references to the terms, conditions and exclusions of the certificate shall be construed as referring to the entire **Certificate**.

Computer Virus

A set of corrupting harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code programmatic or otherwise that propagate themselves through a computer system or network of whatsoever nature. **Computer Virus** includes but is not limited to "Trojan Horses" "worms" and "time or logic bombs".

Damage(d)

Accidental physical loss, damage or destruction.

Defined Peril

1. Fire, but excluding any **Damage** to the **Property Insured** caused by:
 - a) explosion resulting from fire;
 - b) earthquake or subterranean fire;
 - c) its own spontaneous fermentation or heating;
 - d) its undergoing any heating process or any process involving the application of heat;
2. lightning;
3. explosion, but excluding any **Damage** caused by or consisting of the bursting of a boiler or other vessel, machine or apparatus belonging to **You**, or under **Your** control, used for non-domestic purposes where internal pressure is due to steam only;
4. aircraft or other aerial devices or articles dropped therefrom;
5. riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons, excluding **Damage**:
 - a) arising from confiscation, requisition or destruction by order of the government or any public authority;
 - b) arising from cessation of work;
6. theft or attempted theft;
7. earthquake;
8. storm, excluding:
 - a) **Damage** by flood whether resulting from storm or otherwise;
 - b) **Damage** attributable solely to a change in the water table level;
9. flood, excluding **Damage** attributable solely to a change in the water table level;
10. overflowing, discharge or leaking of any sprinkler apparatus;
11. escape of water from any tank, apparatus or pipe;
12. impact by any road vehicle (including goods falling from them) or animal not belonging to **You** or under **Your** control, or falling trees, branches and falling aerials.

Electronic Data

Facts, concepts and information converted to a form

useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Employee(s)

Any person under a contract of service or apprenticeship with **You** including:

1. any person who is hired to or borrowed by **You**;
2. any person engaged in connection with a work experience or training scheme;
3. any labour master retained by **You** or person supplied by him;
4. any person engaged by **Your** labour-only sub-contractors
5. any self-employed person working on a labour-only basis under **Your** control or supervision;
6. any voluntary helper

all while working for **You** in connection with the **Business**.

Excess

The first part of each and every loss which **You** must bear after the application of any condition of Average.

Glass

All fixed plain sheet or plain glass in windows, doors, fanlights, skylights, partitions, furniture, display and show cases, counters or shelves or mirrored glass, fixed hand basins, lavatory bowls, bidets, shower trays and baths including lettering, embossing, beading, silvering or ornamental work at the **Premises**.

Gross Rentals

The money paid or payable to **You** for tenancies and associated income derived from the letting of the **Premises**.

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the number of months thereafter stated in the **Schedule** during which the results of the **Business** shall be affected in consequence of the **Damage**.

Injury

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

Insured(s)/You/Your

The firm, company, entity or individual named in the **Schedule**.

Insured Event

A claim **You** have made under a Section of this **Certificate** for which **Underwriters** have agreed to provide indemnity.

Landlords Contents

Furniture, fitted carpets, domestic appliances and fixtures belonging to **You** as owner or for which **You** are responsible whilst contained in the **Buildings** excluding:



1. any item falling under the definition of **Building(s)**;
2. personal possessions;
3. stock and materials in trade;
4. building materials;
5. property more specifically insured

unless otherwise specifically agreed in writing by **Underwriters**.

Offshore

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

Outstanding Debit Balances

The total amount due to **You** at the date of the **Damage** less bad debts.

Period of Insurance

The period of insurance specified in the **Schedule**

Premises

The Address(es) specified in the **Schedule**.

Property Insured

The **Buildings** and **Landlords Contents** at the **Premises**, if and to the extent they are included in the **Schedule**.

Proposal

The Proposal Form, Statement of Fact, Declaration, Risk Presentation and any information supplied to the **Underwriters** by **You** or on **Your** behalf.

Renovation(s)

Internal painting and decorating, tiling, replacement of bathroom and/or kitchen fixtures and fittings including sinks, wash basin, w.c., bath and shower, carpeting, internal joinery, plastering, rewiring, installation/repair of central heating and external window replacement but excluding:

1. **Building Works**; and
2. renovation forming part of a **Building Works** contract or project.

Schedule(s)

The schedule specifying the terms and extent of this **Certificate**.

Standard Gross Rentals

The **Gross Rentals** during the **Indemnity Period**, as determined by measuring **Gross Rentals** during that period in the twelve months immediately before the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in, or special circumstances affecting the **Business** (either before or after the **Damage**) or which would have affected the **Business** had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which,

but for the **Damage**, would have been obtained during the relative period after the **Damage**.

Sum Insured /Limit of Indemnity

The sum or limit specified in the **Schedule** as applying to the relevant Section of this **Certificate** or items.

Territorial Limits

Great Britain, Northern Ireland, the Channel Islands or the Isle of Man & Eire.

Terrorism

Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or groups of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Unoccupied

When the **Premises** (or any part thereof) are closed for trade, untenanted or not resided at for a period in excess of seven consecutive days

Underwriters/We/Us

The insurance company or Lloyd's syndicate(s) stated in the **Schedule**.

Unlawful Association

Any organisation which is engaged in terrorism and includes an organisation which at any relevant time is a proscribed organisation within the meaning of the Terrorism Act 2000 or any similar legislation.



COMMERCIAL PROPERTY OWNERS' LEGAL SOLUTIONS

Please read this policy section carefully and in full to familiarise yourself with the terms and conditions, as well as the:

- Legal advice & tax helpline
- Online Legal Services
- Claims procedure.

If **you** are unsure about anything in this document, please contact whoever **you** purchased **your** policy from.

Make a claim 0117 917 1698

Report a claim between 9am and 5pm weekdays (except bank holidays) or go online www.arag.co.uk/newclaims

Telephone helplines

- 24/7 Legal advice on business matters within EU law 0344 571 7978
- UK tax advice 9am to 5pm weekdays (except bank holidays) 0344 571 7978
- Redundancy approval 9am to 5pm weekdays (except bank holidays) 0117 917 1698
- Crisis communication 0344 571 7964
- Counselling assistance 0333 000 2082

Online Legal Services

Register today at: www.araglegal.co.uk and enter the voucher codes shown below to download business and landlords' legal documents, forms and letters and access **our** digital law guide.

- Register for Landlords' documents using voucher code E82D3227AABE.
- Register for Business Legal Services using voucher code CCCFCF1FB3B8.

Many documents are free to download while others attract a modest charge.

Main benefits of Commercial Property Owners' Legal Solutions

Cover empowers **you** to protect **your** legal rights in the future. With support from ARAG, **you**, **your insured property** and **your** business could be protected from legal costs arising from the following Insured events:

Part A – Your insured property

1. Property damage, nuisance & trespass
2. Repossession of residential property
3. Commercial lease disputes
4. Recovery of rent arrears
5. Holiday homes contract disputes.

Part B – Your business

1. Employment
2. Employment compensation awards
3. Employment restrictive covenants
4. Tax protection

5. Legal defence
6. Compliance & regulation
7. Statutory licence appeals
8. Loss of earnings
9. Employees' extra protection & identity theft
10. Crisis communication

Who is ARAG?

ARAG's UK operation provides a nationwide service from **our** Bristol Head Office. **We** are part of ARAG SE, a global leader in legal expenses insurance which generates annual premium income in excess of €1.5 billion.

It has always been **our** vision to enable everyone, not just those that can afford it, to assert their legal rights. With this aim in mind **we** provide innovative and affordable products.

We are committed to providing **our** customers with guidance, advice and security, both now and in the future. **We** recognise that **we** will only grow by ensuring that **we** provide excellent products and an outstanding service to **our** customers.

IMPORTANT INFORMATION

Helplines

(All subject to fair and reasonable use).

Legal & tax advice 0344 571 7978

If **you** have a legal or tax problem relating to **your** business **we** recommend calling **our** confidential legal and tax advice helpline. Legal advice is available 24/7, and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

The advice covers business-related legal matters, including commercial and residential property letting within EU law, and tax matters within the UK. **Your** query will be dealt with by a qualified specialist experienced in handling legal or tax-related matters. Use of this service does not constitute reporting of a claim.

Redundancy approval 0117 917 1698

We can arrange for specialist advice if **you** are planning redundancies. This will assist **you** to implement a fair selection process and ensure that the redundancy notices are correctly served. This service is available between 9am and 5pm on weekdays (except bank holidays), subject to a charge.

Crisis communication 0344 571 7964

Where **you** need to respond to negative publicity or media attention. **You** can access professional public relations support and crisis communication services.

Counselling assistance 0333 000 2082

For an employee (and family members permanently living with them) needing confidential help and advice, **our**



qualified counsellors are available to provide telephone support on any matter that is causing upset or anxiety, from personal problems to bereavement.

Claims procedure

If **you** need to make a claim, **you** must notify **us** as soon as possible. Where **you** are claiming under Part A, **you** must have issued the necessary notices informing **your** tenant of **your** intention to repossess the **insured property**.

(Please note Sections 8 and 21 notices required to repossess residential property together with covering letters can be downloaded for free from the landlords' legal services website).

1. Under no circumstances should an **insured** instruct their own lawyer as the **insurer** will not pay costs incurred without **our** agreement.
2. **You** can request a claim form between 9am and 5pm Monday to Friday (except bank holidays) by telephoning **0117 917 1698** or online at **www.arag.co.uk/newclaims**
3. **We** will issue a written acknowledgement within one working day of receiving the claim form.
4. Within five working days of receiving all the information needed to assess the availability of cover under this policy section, **we** will write either:
 - a) confirming the appointment of a suitably qualified representative who will promptly progress the claim for the **insured**; or
 - b) if the claim is not covered, explaining in full why and whether **we** can assist in another way.
5. Please note that matters cannot always be resolved quickly if the other side is slow to cooperate or a legal timetable is decided by the courts.

This insurance has two parts:

- Part A covers **you** for legal disputes that arise from owning or letting out **your insured property**,
- Part B relates to other legal matters arising from **your** business.

If **you** are not trading as a business only Part A of this policy section applies.

YOUR POLICY SECTION COVER

Following an Insured event the **insurer** will pay **legal costs & expenses** (and compensation awards under Insured event Part B 2 Employment compensation awards) up to the policy section limits stated below subject to all the following requirements being met:

1. **You** have paid the insurance premium.

2. The **insured** keeps to the terms of this policy section and cooperates fully with **us**.
3. The Insured event in Part B arises in connection with the business shown in the schedule.
4. The Insured event occurs within the **territorial limits**.
5. The claim:
 - a) always has **reasonable prospects of success**;
 - b) is reported to **us**:
 - i. during the **period of insurance**;
 - ii. within 60 days of **you** first becoming aware of the matter in dispute where **you** are in disagreement with a tenant of **your insured property**;
 - iii. as soon as the **insured** first becomes aware of circumstances which could give rise to a claim.
6. Unless there is a conflict of interest, the **insured** always agrees to use the **appointed advisor** chosen by **us** in any **claim**:
 - a) to be heard by the Employment Tribunal or **small claims court**; and/or
 - b) before proceedings have been or need to be issued.
7. Any dispute will be dealt with by mediation, a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body within the **territorial limits**.

A claim is considered to be reported to **us** when **we** have received the **insured's** fully completed claim form.

Policy Section limits

The most the **insurer** will pay for all claims related by time or originating cause including the cost of appeals shall be limited to the following:

Insured events Part A: GBP50,000 for each Insured event.

Insured events Part B:

- 1 to 9 – GBP100,000
- 10 – GBP10,000.

In addition Insured event Part B 2 (Employment compensation awards) is subject to an annual aggregate limit of GBP1,000,000 for claims made during the same **period of insurance**.

INSURED EVENTS COVERED – PART A YOUR INSURED PROPERTY

1. Property damage, nuisance & trespass

- a) An event which causes visible damage to **your insured property** and/or anything owned by **you** at **your insured property**.
- b) A public or private nuisance or a trespass relating to **your insured property**.

Provided that if the **insured property** is used as



holiday accommodation:

- i. **you** can provide a detailed inventory of its condition and contents which has been signed by **your** guest(s); and
- ii. a dilapidations deposit has been paid in cash or payment has cleared in **your** bank account.

What is not covered under Part A Insured event 1

1. Damage or loss arising from a contract between **you** and a third party who is not a tenant, ex-tenant; or guest staying at **insured property you** have let out as holiday accommodation.
2. The compulsory purchase of, or demolition, restrictions, controls or permissions placed on land or property by any government, local or public authority.
3. A dispute with any party other than the party who caused the damage, nuisance or trespass.
4. Any nuisance or trespass claim under 1 b) above that arises from a contract, lease, licence or tenancy agreement between **you** and the third party (including trespass by **your** ex-tenant).
5. An **excess** of GBP250 applies to 1 b) above except where **you** bring a claim against a person who is living at **your property** without **your** permission (squatters). **We** will ask **you** to pay the **excess** when **we** accept **your** claim.

2. Repossession of residential property

- a) Pursuit of **your** legal rights to repossess **your insured property** that has been let under:
 - i. an assured shorthold tenancy; or
 - ii. a shorthold tenancy; or
 - iii. an assured tenancy

as defined by the Housing Act 1988 as amended by the Housing Act 1996 and the Assured Tenancies (Amendment) (England) Order 2010 or the Housing (Scotland) Act.

Provided **You**:

- a) give the tenant the correct notices for the repossession; and
- b) will try to get repossession under:
 - i. Schedule 2, Part 1 (grounds 1 to 8) of the Housing Act 1988 as amended by the Housing Act 1996; or
 - ii. Schedule 5, Part 1 (grounds 1 to 8) of the Housing Act (Scotland) 1988; or
 - iii. Part 1, Section 21 of the Housing Act 1988 amended by the Housing Act 1996; or
 - iv. Part 2, Section 33 of the Housing Act (Scotland) 1988.
- b) Pursuit of **your** legal rights to repossess **your insured property** that **you** have let:
 - i. in accordance with the Private Tenancies (Northern Ireland) Order 2006; or
 - ii. to a limited company or business partnership

for residential use by employees.

- c) Pursuit of **your** legal right to recover or repossess **your insured property** that is occupied by an **employee** or ex-**employee** under a service occupancy agreement.

3. Commercial lease disputes

Pursuit or defence of **your** legal rights arising from a dispute with **your** business tenant under the terms of a written lease agreement in relation to **your insured property** which is granted under the Landlord & Tenant Act 1954 provided that where the dispute arises from or relates to renewal of **your** lease agreement or the granting of a new business tenancy:

- a) **reasonable prospects of success** exist to oppose **your** tenant's right to renew the tenancy under Section 30(1) of the Landlord and Tenant Act; and
- b) **you** can demonstrate that **you** have served the correct legal notice to terminate on the tenant in the prescribed form before **your** tenant has served **you** with a request for a new tenancy.

What is not covered under Part A Insured event 3

Any dispute that arises from a disagreement with **your** tenant over payment or non-payment of rent and/or service charges.

4. Recovery of rent arrears

Pursuit of **your** legal right to recover rent owed to **you** by:

- a) **your** residential or business tenant or ex-tenant of **insured property**;
- b) guest(s) staying at **your insured property** which is used as holiday accommodation.

5. Holiday homes contract disputes

A dispute that arises from:

- a) a written agreement which **you** have entered into to let out **your insured property** as holiday accommodation that is not otherwise covered by Part A, Insured event 1. Property damage, nuisance & trespass or 4. Recovery of rent arrears;
- b) a contract **you** have entered into to buy or hire goods or services for the benefit of **insured property** which **you** have let or intend to let to guests as holiday accommodation.

What is not covered under Part A Insured event 5

1. Goods or services which exceed GBP6,000 (including VAT) in value.
2. Loans and mortgages.
3. An employment contract.
4. A settlement due under an insurance policy.



INSURED EVENTS COVERED – PART B YOUR BUSINESS

1. Employment

A dispute between **you** and **your employee**, ex-**employee**, or a prospective employee, arising from a breach or an alleged breach of their:

- a) contract of service with **you**; and/or
- b) related legal rights.

A claim can be made under this policy section provided that all internal procedures as set out in the:

- i. ACAS Code of Practice for Disciplinary and Grievance Procedures; or
- ii. Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

What is not covered under Insured event 1

Any claim relating to:

1. the pursuit of an action by **you** other than an appeal;
2. redundancy, alleged redundancy or unfair selection for redundancy, occurring during the first 180 days of this policy section, except where **you** have had equivalent cover in force up until the start of this policy section;
3. **legal costs & expenses** for preparation and representation at an internal disciplinary hearing, grievance or appeal.

2. Employment compensation awards

Following a claim **we** have accepted under Insured event 1 Employment, the **insurer** will pay any:

- a) basic and compensatory award;
- b) Employment Tribunal fees under Schedule 3 of the Employment Tribunal and the Employment Appeal Tribunal Fees Order 2013 awarded against **you** by a tribunal; or
- c) an amount agreed by **us** in settlement of a dispute

provided that:

- i. **reasonable prospects of success** exist for a wholly successful defence throughout; and
- ii. compensation is :
 - agreed through mediation or conciliation or under a settlement approved by **us**; or
 - awarded by a tribunal after full judgment unless given by default.

What is not covered under Insured event 2

Compensation awards relating to:

1. money owed under a contract to an **employee** under a contract or a statutory provision relating thereto;
2. trade union membership or non-membership, industrial or labour arbitration, collective bargaining agreements, trade union recognition or matters concerning a European Works Council;

3. civil claims or statutory rights relating to trustees of occupational pension schemes.

3. Employment restrictive covenants

- a) A dispute with **your employee** or ex-**employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages.

Provided that the restrictive covenant:

- i. is designed to protect **your** legitimate business interests; and
- ii. is evidenced in writing and signed by **your employee** or ex-**employee**;
- iii. extends no further than is reasonably necessary to protect the business interests; and
- iv. does not contain restrictions in excess of 12 months.

- b) A dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

4. Tax protection

- a) A formally notified aspect or full enquiry into **your** tax affairs, or into the personal tax affairs of **your** directors and/or partners.
- b) A dispute about **your** compliance with regulations relating to:
 - i. Value Added Tax; or
 - ii. Pay As You Earn; or
 - iii. Social Security; or
 - iv. National Insurance Contributions; or
 - v. the Construction Industry Scheme; or
 - vi. IR35following a compliance check by HM Revenue & Customs.
- c) An enquiry into **your** tax affairs, or into the personal tax affairs of **your** directors and/or partners, arising from an alleged discovery by HM Revenue & Customs.

Provided that:

- all returns are completed and have been submitted within the statutory timescales permitted; and
- **you** keep proper records in accordance with statutory requirements; and
- in respect of any appealable matter **you** have requested an Internal Review from HM Revenue & Customs where available.

What is not covered under Insured event 4

Any claim relating to:

1. tax returns which result in HM Revenue & Customs imposing a penalty or claiming interest or which contain negligent misstatements;
2. an investigation by the Specialist Investigations Branch of HM Revenue & Customs;
3. where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the **insured's**



- financial arrangements;
- 4. any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland;
- 5. **your** failure to register for VAT.

5. Legal defence

- a) A criminal investigation and/or enquiry by:
 - i. the police;
 - ii. a health & safety authority; or
 - iii. other body with the power to prosecute where it is suspected that an offence may have been committed that could lead to the **insured** being prosecuted.
- b) An offence or alleged offence which leads to the **insured** being prosecuted in a court of criminal jurisdiction.
- c) A motor prosecution brought against **your** directors and/or partners which does not relate to the business.

What is not covered under Insured event 5

Any claim relating to a parking offence.

6. Compliance & regulation

- a) Receipt of a Statutory Notice served against **you**.
- b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.
- c) A civil action alleging wrongful arrest arising from an allegation of theft.
- d) A claim against **you** for compensation under Article 82 of Regulation (EU) 2016/679 (the "General Data Protection Regulation" or the "GDPR") and equivalent provision under the Data Protection Act 2018 (all as amended, updated or re-enacted from time to time) including compensation awarded against **you** provided that **you** are registered with the Information Commissioner.

What is not covered under Insured event 6

Any claim relating to:

1. the pursuit of an action by **you** other than an appeal;
2. a routine inspection by a regulatory authority;
3. a Health and Safety Executive Fee for Intervention.

7. Statutory licence appeals

An appeal against a decision by the relevant authority to alter, suspend, revoke or refuse to renew **your** statutory licence or compulsory registration.

What is not covered under Insured event 7

Any claim relating to a licence or registration scheme affecting **your insured properties**.

8. Loss of earnings

The **insured's** absence from work to attend court, tribunal, arbitration, disciplinary hearing or regulatory proceedings at the request of the **appointed advisor** or

whilst on jury service which results in loss of earnings.

9. Employees' extra protection

At **your** request:

- a) where civil proceedings are issued against **your employee**:
 - i. for unlawful discrimination; or
 - ii. in their capacity as a trustee of a pension fund set up for the benefit of **your employees**;
- b) where **your employee** or a member of their family suffers physical bodily injury or death as a result of a sudden event;
- c) a claim arising from personal identity theft targeted at **your** directors and/or partners.

What is not covered under Insured event 9 a) or b)

Any claim arising from or relating to:

1. defending **you**;
2. a condition, illness or disease which develops gradually over time.

10. Crisis communication

Following an event which causes **your** business significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your** business, **we** will:

- a) liaise with **you** and **your** solicitor (whether the solicitor is an **appointed advisor** under this policy section, or acts on **your** behalf under any other policy), to draft a media statement or press release; and/or
- b) arrange, support and represent an **insured** at a press conference; and/or
- c) prepare communication for **your** customers and/or a telephone or website script

provided that **you** have sought and followed advice from **our** Crisis communication helpline.

What is not covered under Insured event 10

Matters that should be dealt with through **your** normal complaints procedures.

WHAT IS NOT COVERED UNDER PART A

1. Any disagreement with a tenant of an **insured property** during the first 90 days of the first **period of insurance** where the tenancy agreement started before the start of this cover unless **you** were insured for equivalent cover immediately prior to the start of this cover.
2. Registering, assessing or reviewing rent, rent control, land tribunals or matters that fall under the jurisdiction of the Property Chamber of the First-tier Tribunal.
3. Any claim arising from or relating to an **insured property** which has been or which should have been registered as a House of Multiple Occupation.



WHAT IS NOT COVERED (APPLICABLE TO WHOLE POLICY SECTION)

The **insured** is not covered for any claim arising from or relating to:

1. **legal costs & expenses** or compensation awards incurred without **our** consent;
2. any actual or alleged act, omission or dispute happening before, or existing at the start of this policy section, and which the **insured** believed or ought reasonably to have believed could lead to a claim;
3. an allegation against the **insured** involving:
 - a) assault, violence, indecent or obscene materials, dishonesty, malicious falsehood or defamation (except in relation to Insured event 10 Crisis communication);
 - b) the manufacture, cultivation, dealing in or use of alcohol, illegal drugs or illegal immigration;
 - c) offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences);
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Part B Insured event 1 Employment) or loss or damage to property owned by the **insured**;
5. patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Part B Insured event 3 Employment restrictive covenants);
6. a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners;
7. franchise or agency agreements;
8. a judicial review;
9. a dispute with **us**, the **insurer** or the party who arranged this cover not dealt with under Condition 6;
10.
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - b) radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - c) war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
 - d) pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed;
 - e) any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, funding, preventing or suppressing terrorist action. If the **insurer** alleges that by reason of this exclusion any liability or loss is not covered by this policy section, the burden of proving the contrary shall be upon the **insured**;
11. The payment of fines, penalties or compensation awarded against the **insured** (except as covered under Part B Insured event 2 Employment compensation awards or Insured event 6 d) Compliance & regulation)

or costs awarded against the **insured** by a court of criminal jurisdiction.

POLICY SECTION CONDITIONS

Where the **insurer's** risk is affected by the **insured's** failure to keep to these conditions, the **insurer** can cancel this policy section, refuse a claim or withdraw from an ongoing claim. The **insurer** also reserves the right to claim back **legal costs & expenses** from the **insured** if this happens.

1. The insured's responsibilities

An **insured** must:

- a) tell **us** immediately of anything that may make it more costly or difficult for the **appointed advisor** to resolve the claim in their favour;
- b) cooperate fully with **us**, give the **appointed advisor** any instructions required, and keep them updated with the progress of the claim and not hinder them;
- c) take reasonable steps to claim back **legal costs & expenses** and, where recovered, pay them to the **insurer**;
- d) keep **legal costs & expenses** as low as possible;
- e) allow the **insurer** at any time to take over and conduct in the **insured's** name, any claim.

2. Freedom to choose an appointed advisor

- a) In certain circumstances as set out in 2.b) below the **insured** may choose an **appointed advisor**. In all other cases no such right exists and **we** shall choose the **appointed advisor**.
- b) If:
 - i. **we** agree to start proceedings or proceedings are issued against an **insured**; or
 - ii. there is a conflict of interestthe **insured** may choose a qualified **appointed advisor** except where the **insured's** claim is to be dealt with by the Employment Tribunal or **small claims court** where **we** shall always choose the **appointed advisor**.
- c) Where the **insured** wishes to exercise the right to choose, the **insured** must write to **us** with their preferred representative's contact details. Where the **insured** chooses to use their preferred representative, the **insurer** will not pay more than **we** agree to pay a solicitor from **our** panel.
- d) If the **insured** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement, or if the **appointed advisor** refuses with good reason to continue acting for an **insured**, cover will end immediately.
- e) In respect of a claim under Insured event Part A – 5 Holiday homes contract disputes and Part B – 9 b) **you** must enter into a **conditional fee agreement** (unless the **appointed advisor** has entered into a **collective conditional fee agreement**) where legally permitted.



3. Consent

The **insured** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured's** claim. The **insured** is considered to have provided consent to **us** or **our** appointed agent to have sight of their file for auditing and quality and cost control purposes.

4. Settlement

- a) The **insurer** can settle the claim by paying the reasonable value of the **insured's** claim.
- b) The **insured** must not negotiate, settle the claim or agree to pay **legal costs & expenses** without **our** written agreement.
- c) If the **insured** refuses to settle the claim following advice to do so from the **appointed advisor** the **insurer** reserves the right to refuse to pay further **legal costs & expenses**.

5. Barrister's opinion

We may require the **insured** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the **insured**, then the **insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **us**, then the **insurer** will pay for a final opinion which shall be binding on the **insured** and **us**. This does not affect the **insured's** right under Condition 6 below.

6. Arbitration

If any dispute between the **insured** and **us** arises from this policy section, the **insured** can make a complaint to **us** as described on the back page of this policy section and **we** will try to resolve the matter. If **we** are unable to satisfy the **insured's** concerns and the matter can be dealt with by the Financial Ombudsman Service the **insured** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred.

If the parties fail to agree on a suitable person to arbitrate the matter **we** will ask the President of the relevant Law Society to nominate. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

7. Other insurance

The **insurer** will not pay more than their fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy section did not exist.

8. Fraudulent claims

If the **insured** makes any claim which is fraudulent or false, this policy section shall become void and all benefit under it will be lost.

9. Cancellation

- a) **You** may cancel this policy section:
 - i. within 14 days of the date of its purchase with a full refund of premium paid provided a claim has not been accepted; or
 - ii. at any other time by giving **us** written notice and the **insurer** will refund part of the premium for the unexpired period unless a claim has been or is later accepted by **us** in which case no return of premium shall be allowed.
- b) Where there is a valid reason for doing so, the **insurer** has the right to cancel this policy section at any time by giving **you** at least 7 days written notice. The **insurer** will refund part of the premium for the unexpired term. **We** will set out the reason for cancellation in writing. Valid reasons may include but are not limited to:
 - i. where the party claiming under this policy section fails to cooperate with or provide information to **us** or the **appointed advisor** in a way that materially affects **our** ability to process a claim, or **our** ability to defend the **insurer's** interests;
 - ii. where the party claiming under this policy section uses threatening or abusive behaviour or language, or intimidates or bullies **our** staff or suppliers;
 - iii. where **we** reasonably suspect fraud.
- c) The **insurer** may also cancel this policy section and refund part of the premium for the unexpired period if at any time **you**:
 - i. enter into a voluntary arrangement or a deed of arrangement;
 - ii. become bankrupt, are placed into administration, receivership or liquidation;
 - iii. have **your** affairs or property in the care or control of a receiver or administrator.

The **insurer** also has the right to immediately cease to provide indemnity for **legal costs & expenses** or compensation awards. The **insurer** also reserves the right to withdraw from any claim.

10. Acts of parliament, statutory instruments, civil procedure rules & jurisdiction

All legal instruments and rules referred to within this policy section shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement.

11. Data Protection

Please refer to the Personal Information section under CERTIFICATE CONDITIONS.

12. Contracts (Rights of Third Parties) Act 1999

Except for any person or business appointed as **your** agent to manage the letting of **your** property a person who is not party to this contract has no right to



enforce the terms and conditions of this section under the Contracts (Rights of Third Parties) Act 1999.

MEANING OF WORDS & TERMS

Certain words and terms contained in this policy section have been defined as they have the same meaning wherever they appear.

Appointed advisor

The solicitor, accountant, mediator or other advisor appointed by **us** to act on behalf of the **insured**.

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the **appointed advisor** and **us** to pay their professional fee on the basis of "no-win no-fee".

Conditional Fee Agreement

A legally enforceable agreement between the **insured** and the **appointed advisor** for paying their professional fees on the basis of "no-win no-fee".

Employee

A worker who has or alleges they have entered into a contract of service with **you**.

Excess

The amount of the claim which is to be borne by **you**. **We** will ask **you** to pay this when **we** confirm acceptance of **your** claim. It may be possible to claim back the **excess** from **your** opponent if **your** claim is successful.

Insured

- a) **You, your** directors, partners, managers, officers and **employees** of **your** business; and/or
- b) the estate, heirs, legal representatives or assigns of any persons mentioned in a) above in the event of such person dying; and/or
- c) a person who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your employees** and who performs work under **your** supervision.

Insurer

Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof).

Insured property

- a) **your** business premises; and/or
- b) property owned by **you** which is let or which **you** intend to let to tenants for business or residential purposes; and/or
- c) property owned by **you** which is let or which **you** intend to let to guests as holiday accommodation for leisure purposes under the terms of a written agreement and which is located in England, Scotland, Wales or Northern Ireland and is listed on **your** Schedule.

Legal costs & expenses

- a) reasonable legal costs and disbursements reasonably and proportionately incurred by the **appointed advisor** on the standard basis and agreed in advance by **us**. The term "standard basis" can be found within the Courts' Civil Procedure Rules Part 44
- b) in civil claims, other side's costs, fees and disbursements where the **insured** has been ordered to pay them or pays them with **our** agreement
- c) reasonable accountancy fees reasonably incurred under Part B Insured event 4 Tax protection by the **appointed advisor** and agreed by **us** in advance
- d) **your employee's** basic wages or salary under Insured event 8 Loss of earnings for lost time while attending court or tribunal at the request of the **appointed advisor** or whilst on jury service which cannot be claimed back from the court
- e) the professional fees and expenses of an **appointed advisor** selected by **us** to reduce the actual or anticipated adverse or negative publicity or media attention directed towards **you** under Insured event 10 Crisis communication.

Period of insurance

The period shown in the schedule to which this policy section attaches.

Reasonable prospects of success

- a) Other than as set out in b) and c) below, a greater than 50% chance of the **insured** successfully pursuing or defending the claim and, if the **insured** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained
- b) in criminal prosecution claims where the **insured**:
 - i. pleads guilty, a greater than 50% chance of successfully reducing any sentence or fine; or
 - ii. pleads not guilty, a greater than 50% chance of that plea being accepted by the court
- c) in all claims involving an appeal, a greater than 50% chance of the **insured** being successful.

Small claims court

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999; a court in Scotland that uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002, a court in Northern Ireland where the sum in dispute is less than £3,000 or the equivalent jurisdiction in the **territorial limits** where this policy section applies.

Territorial limits

- a) Part A – the United Kingdom.
- b) Part B – Insured events 5 Legal defence and 6 Compliance & regulation the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union.

For other Insured events under Part B, the United Kingdom, Channel Islands and the Isle of Man.



We/Us/Our

ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the **insurer**, Brit Syndicate 2987 at Lloyd's.

You/Your

The business or person named in the schedule, including any subsidiary and/or associated companies declared to **us** and/or any person or business appointed as an agent of the named business or person to manage the letting of **insured property** to the extent that any such agent has acted on **your** behalf.

HOW WE HANDLE COMPLAINTS

Step 1

ARAG is committed to providing a first class service at all times. However, if a complaint arises, this should be addressed to **our** Customer Relations Department who will arrange to have it reviewed at the appropriate level. **We** can be reached in the following ways:

- Telephone: 0117 917 1561 (hours of operation are 9am-5pm, Mondays to Fridays excluding bank holidays, for our mutual protection and training purposes, calls may be recorded)
- Email: customerrelations@arag.co.uk
- Post: ARAG plc, 9 Whiteladies Road, Clifton, Bristol, BS8 1NN

Step 2

Should **you** remain dissatisfied **you** can pursue **your** complaint further with Lloyd's. They can be reached in the following ways:

- Telephone: 0207 327 5693
- Fax: 0207 327 5225
- Email: complaints@lloyds.com
- Website: www.lloyds.com/complaints
- Post: Lloyd's, One Lime Street, London EC3M 7HA.

Step 3

If Lloyd's is not able to resolve the complaint to **your** satisfaction then **you** can refer it to the Financial Ombudsman Service (FOS) provided that it falls within their jurisdiction. The FOS can normally deal with complaints from individuals and small businesses with an annual turnover of less than €2 million. They can be contacted at:

- Telephone: 0800 0234 567 or 0300 1239 123
- Email: complaint.info@financial-ombudsman.org.uk
- Post: Financial Ombudsman Service, Exchange Tower, London, E14 9SR

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 Financial Ombudsman Service at www.financial-ombudsman.org.uk

The FOS's decision is binding upon the **insurer**, but **you** are

free to reject it without affecting **your** legal rights.

*ARAG plc is registered in England number 02585818. Registered address: 9 Whiteladies Road, Clifton, Bristol BS8 1NN. ARAG plc is authorised and regulated by the Financial Conduct Authority firm registration number 452369. ARAG plc is authorised to administer this insurance on behalf of the **insurer** Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof). Brit Syndicates Limited, the managing agent for Brit Syndicate 2987 at Lloyd's, is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. This can be checked by visiting the FCA website at www.fca.org.uk/register or by contacting the FCA on 0800 111 6768 (freephone), or 0300 500 8082.*

ARAG plc and Brit Syndicate 2987 at Lloyd's are covered by the Financial Ombudsman Service. www.arag.co.uk





www.gbunderwriting.co.uk

GB UNDERWRITING

Little Braxted Hall Little Braxted Witham Essex CM8 3EU

T 01376 515702 F 01376 515122 www.gbunderwriting.co.uk

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Company Registration No. 4692971. GB Underwriting Ltd, Little Braxted Hall, Little Braxted, Witham, Essex, CM8 3EU.

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