

HSBC Insurance Brokers

Residential Landlord's Insurance

Policy Document

HSBC Insurance 

Underwritten by Allianz Insurance plc

Introduction

Your Insurer

Allianz Insurance plc is one of the largest Insurers in the UK. Our long and consistent track record gives you the peace of mind that you can trust us to be there when you need us.

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

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

Allianz Insurance plc is authorised and regulated by the Financial Services Authority, registration number 121849. This can be checked by visiting the FSA website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Your Insurance Adviser

HSBC Insurance Brokers is a leading global specialist insurance and reinsurance broker.

HSBC Insurance Brokers have arranged a high quality package solution of bespoke insurance products and services designed to meet your business and individual needs, which is competitively underwritten by Allianz Insurance plc.

For further information please ring HSBC Insurance Brokers on 0845 604 2417.

Policy Contents

	page
Insuring Clause	2
General Definitions	3
General Conditions	4
General Exclusions	7
The Cover Provided	
Material Damage Section	10
Employers Liability Section	19
Property Owners Liability Section	22
Additional Benefits	28
Glass Replacement	28
Helpline Services	28
Claims Handling	29
Caring for Customers	30
The Financial Ombudsman Service	31
Financial Services Compensation Scheme	31
Data Protection Act	32

Please note that *Your Policy* has several *Sections*.

Check *Your Schedule* which *You* will find in the pocket opposite to see which *Sections* are in force.

Insuring Clause

The Application Form and any information supplied by or on behalf of the **Insured** forms the basis of this contract between the **Company** and the **Insured**.

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

For Allianz Insurance plc.



Andrew Torrance
Chief Executive

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

Allianz Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.
Allianz Insurance plc is authorised and regulated by the Financial Services Authority. Our registration number is 121849.
This can be checked by visiting the FSA website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234

General Definitions

Certain words have special meanings which apply wherever they appear in the *Policy* and *Schedule*.

These words and their meanings are shown below.

Other words are given particular meanings at the beginning of individual *Sections* of this *Policy*. For these words the meaning only applies within that *Section*.

Business

The business as stated in the *Schedule* including:

- a) the provision and management of canteen, social, sports, welfare facilities for the *Insured's Employees* and first aid, fire and ambulance services
- b) private work carried out with consent of the *Insured* for the *Insured* or any director, partner or other senior official of the *Insured's Business* by any *Employee*.

Company

Allianz Insurance plc.

Damage

Loss, destruction or damage.

Defined Perils

Fire; lightning; explosion; aircraft or other aerial devices or articles dropped therefrom; riot; civil commotion; strikers; locked-out workers; persons taking part in labour disturbances; malicious persons other than thieves; earthquake; storm; flood; bursting, overflowing or leaking of water tanks, apparatus or pipes; escape of water or oil from any fixed heating installation; or impact by any road vehicle or animal.

Employee(s)

Any person while working for the *Insured* in connection with the *Business* who is:

- a) under a contract of service or apprenticeship with the *Insured*.
- b) a labour master or labour only sub-contractor or any person supplied by them.
- c) a self-employed person.
- d) borrowed by or hired to the *Insured*.
- e) participating in a work experience or similar scheme.

Excess

The amount for which the *Insured* is responsible for each loss in the circumstances described within the *Policy*. Any limits or sums insured apply after the Excess has been deducted.

Insured

The person, people or the company shown as the Insured in the *Schedule*.

Limit of Indemnity

The Limit of Indemnity specified in the *Schedule*.

Money

Cash or any negotiable money instrument.

Non-negotiable Instrument

Any *Money* instrument which is by its nature non-negotiable or which has been made expressly non-negotiable.

Period Of Insurance

The duration of this *Policy* as shown in the *Schedule* and any further period for which the *Company* accepts the premium.

Policy

This booklet incorporating the *Schedule* and any endorsements applying.

Schedule

The latest schedule issued by the *Company* as part of the *Policy*.

Section/Sections

The parts of the *Policy* that detail the insurance cover provided by this *Policy*.

Sum Insured

The maximum amount the *Company* will pay for each item insured under any *Section*.

General Conditions (These apply to the whole **Policy**)

1 Alteration of risk

From the time any alteration increases the risk of loss, destruction or damage, injury or liability this **Policy** will cease to be operative, unless the **Company** agrees the alteration in writing.

2 Arbitration

Should any difference arise as to any amount payable to the **Insured** (liability being admitted) such difference will be referred to an arbitrator to be appointed in accordance with the appropriate statutory provisions in force at the time.

Where any difference is referred to arbitration the making of an award will be a condition precedent to any right of action against the **Company**.

3 Cancelling the policy

The **Insured's** cancellation rights

The **Insured** may cancel the **Policy** within fourteen (14) days of receipt of the **Policy** documents or within a period of fourteen (14) days of receipt of the renewal documentation (referred to as the "cooling off" period). The **Insured** should exercise this right by contacting HSBC Insurance Brokers Limited.

Should the **Insured** exercise this right to cancel during the cooling off period, they will be entitled to a return of the premium paid unless a claim has been made which leads to the contract of insurance being fully completed. Any return of premium will be calculated on a proportionate basis. There is no cancellation charge. However, if the proportional amount due is less than £25 no refund will be made. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

Should the **Insured** not exercise the right to cancel during this cooling off period, the **Policy** premium becomes due, the **Insured** may not be entitled to a refund of premium and the **Policy** may run for its full term.

If the cooling off period has expired, the **Insured** may cancel the **Policy** during the **Period of Insurance** by giving fourteen (14) days notice in writing to HSBC Insurance Brokers Limited. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current **Period of Insurance** the **Insured** will be entitled to a proportionate return of the premium paid. There is no cancellation charge. However, if the proportional amount due is less than £25 no refund will be made. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

In the event of cancellation the **Insured** must return to HSBC Insurance Brokers Limited the current Certificate(s) of Employers Liability Insurance.

The **Company's** cancellation rights

The **Company** may cancel the **Policy** by letter sent to the **Insured's** last known address giving fourteen (14) days notice. The **Insured** will then be entitled to a proportionate return of the premium in respect of the unexpired **Period of Insurance**. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the premium for the **Policy** is paid by instalments, please refer to the instalment agreement for details of the cancellation procedure that will apply.

In the event of cancellation the **Insured** must return to HSBC Insurance Brokers Limited the current Certificate(s) of Employers Liability Insurance.

4 Claims procedure

If any event gives or is likely to give rise to a claim, the **Insured** (or their representative) must:

- a) report the details immediately to the **Company** and send a written claim within thirty (30) days but within seven (7) days if the claim is for riot, civil commotion or malicious damage;
- b) give all evidence, information and assistance required at their own expense;
- c) send unacknowledged every letter, claim, writ, summons and process immediately to the **Company** and not make any admission, offer, promise, payment or indemnity without the written consent of the **Company**;
- d) immediately inform the Police if loss or damage is due to rioters, malicious persons or thieves or if money or non-negotiable instruments have been lost;
- e) if demanded, make a statutory declaration of the truth of the claim and of any matters connected with it.

General Conditions (continued)

5 Company rights following claims

The **Company** is entitled, at its own discretion and expense:

- a) to take over and conduct the defence or settlement of any claim and to enforce any rights against any other party, in the name of the **Insured**, before or after meeting a claim.
- b) in connection with claims for property owned by the **Insured** to enter any premises where loss or damage has occurred and take possession of, or require to be delivered to the **Company**, any property insured and to deal with such property in any reasonable manner, provided that no property may be abandoned to the **Company**.
- c) to elect to replace, reinstate or repair any property as far as circumstances permit and in a reasonably sufficient manner. In any case the **Company** will not expend more than the relevant **Sum Insured** or **Limit of Indemnity**.

6 Fraud

If any claim is in any respect fraudulent or if any fraudulent means or devices are used by the **Insured** or anyone acting on their behalf to obtain any benefit under this **Policy** or if any loss or damage is occasioned by the wilful act or with the connivance of the **Insured** all benefit under this **Policy** will be forfeited.

7 Law Applicable to Contract

Unless it is agreed otherwise:

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

8 Misdescription

- a) This **Policy** is voidable if the **Insured** misrepresents, misdescribes or fails to disclose any material fact.
- b) Until the **Company** has full knowledge of all material facts and has given notice of avoiding the **Policy** no act or omission by the **Company** or anyone acting on its behalf is to be treated as affirming the continuation of the **Policy**.

9 Observance

The due observance and fulfilment of the terms, exclusions, conditions, endorsements and clauses of this **Policy** in so far as they relate to anything to be done or complied with by the **Insured** and the truth of the statements and answers in the Application Form will be conditions precedent to the liability of the **Company** to make any payment under this **Policy**.

10 Other insurances

If, at the time of any claim (other than for personal accident benefit), any other policy covers the same loss, destruction, damage, injury or liability, the **Company** will pay no more than its share of the claim. Nothing in such other policy will operate to increase the liability of the **Company**.

11 Reasonable precautions

The **Insured** must:

- a) take all reasonable precautions to prevent or minimise loss, destruction, damage, injury or liability.
- b) comply with all relevant statutory requirements, manufacturers' recommendations and other regulations relating to the use, inspection and safety of property or the safety of persons.

12 VAT

The **Company** will not include VAT in any claim payment where the **Insured** is accountable to the tax authorities for VAT.

General Conditions (continued)

13 Survey and Risk Improvement Condition

If this *Policy* has been issued or renewed subject to the *Company* completing a survey or surveys of the *Premises* or of any other location(s) as specified by the *Company*, then pending completion of such survey(s) Cover is provided by the *Company* on the terms, conditions, provisions, exclusions and limits as specified in the *Policy* and the *Sections* of the *Policy*.

In the event that a survey should show that a risk or any part of it is not satisfactory in the opinion of the *Company*, then the *Company* reserves the right to either alter the terms and conditions of Cover or to suspend or withdraw Cover from the date Cover was incepted or renewed or for any other period specified by the *Company*.

It is a condition precedent to liability of the *Company* that the *Insured* must comply with all survey risk improvements required by the *Company* within completion time scales specified by the *Company*.

In the event that a risk improvement is not completed or risk improvement procedures are not introduced within the completion time scales specified by the *Company*, then the *Company* reserves the right to either continue Cover subject to alteration of the terms and conditions of such Cover, or to suspend or withdraw Cover effective

- a) from the date Cover was incepted or renewed, or
- b) from the expiry of any time period specified by the *Company* for completion/introduction of the required survey risk improvements, or
- c) for any other period specified by the *Company*.

If the terms or conditions of Cover are amended by the *Company*, then the *Insured* will have fourteen (14) days to accept or reject the revised basis of Cover.

If the *Insured* elects to reject the revised basis of Cover, then the *Insured* may be entitled to a refund of premium (subject to an administration charge) provided that no claim has been made during the *Period of Insurance*.

If the *Company* exercises the right to suspend or withdraw Cover, then the *Insured* may be entitled to a refund of premium in respect of such period that Cover is suspended or for any period beyond the effective date from which Cover is withdrawn, provided that no claim has been made during the current *Period of Insurance*.

Except in so far as they are expressly varied by this condition, all the terms, conditions, provisions, exclusions and limits of the *Policy* and of the *Sections* of the *Policy* shall continue to apply until the *Company* advises otherwise.

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

General Exclusions (These apply to the whole *Policy*)

This *Policy* will not cover:

1 War and Kindred Risks

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

2 Terrorism

- a) in respect of England, Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 : loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with
 - i) any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism
 - ii) any action taken in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act of Terrorism.

In respect of a) above an Act of Terrorism (Terrorism) means:

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

- b) in respect of territories other than those stated in a) above:

loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

 - i) any act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such act of Terrorism
 - ii) any action taken in controlling, preventing or suppressing any act of Terrorism, or in any other way related to such act of Terrorism.

In respect of b) above an act of 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 group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

In any action, suit or other proceedings where the *Company* alleges that by reason of this General Exclusion any loss or destruction or damage or any consequential loss is not covered (or is covered only up to a specified *Limit of Indemnity*), the burden of proving to the contrary shall be upon the *Insured*.

In the event any part of this General Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

3 Terrorism Limit of Indemnity

- a) Where Employers Liability cover is operative the *Limit of Indemnity* shall not exceed £5,000,000 in respect of an act of Terrorism
- b) Where Property Owners Liability cover is operative the *Limit of Indemnity* shall not exceed the *Limit of Indemnity* shown in the *Schedule* or £5,000,000 (whichever is the lesser) in respect of an act of Terrorism.

For the purposes of this limitation the Definition of an act of Terrorism is:

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

If the *Company* alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the *Insured*.

In the event that any part of this General Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

General Exclusions (continued)

4 Northern Ireland

Loss or destruction or damage or any consequential loss in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of loss or destruction or damage or any consequential loss by fire or explosion) strikers, locked-out workers, persons taking part in labour disturbances or malicious persons.

5 Radioactivity

loss of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss or any legal 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.
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Provided that this General Exclusion will not apply to the Employers' Liability *Section* other than for liability which is:

- i) the liability of any Principal.
- ii) assumed by the *Insured* under agreement and which would not have attached in the absence of agreement.

6 E Risks

- a) loss or destruction of or damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by:
 - i) programming or operator error whether by the *Insured* or any other person
 - ii) virus or Similar Mechanism (as defined below)
 - iii) hacking (as defined below)
 - iv) malicious persons
 - v) failure of external networksunless, in respect of i. ii. and iii. above, such loss or destruction or damage results from a concurrent or subsequent cause not excluded by this or any other *Policy* Exclusion
- b) any financial loss or expense of whatsoever nature, including but not limited to business interruption, resulting directly or indirectly from the type of loss or destruction or damage described in paragraph a. of this General Exclusion unless, in respect of a. i. ii. or iii. above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other *Policy* Exclusion.
- c) loss or destruction of or damage to any property other than Computer Equipment where it arises directly or indirectly out of loss or destruction of or damage to any Computer Equipment of the type described in paragraph a. of this General Exclusion unless in respect of loss or damage to other property arising from a. i., ii., and iii. above, resulting from a concurrent or subsequent cause not excluded by this or any other *Policy* Exclusion
- d) loss or destruction of or damage either to Computer Equipment or any other property where it consists of or arises directly or indirectly out of:
 - i) the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons
 - ii) the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in d. i. above
 - iii) any misinterpretation, use or misuse of information on computer systems or other records, programs or softwareunless, in respect of d. ii. and iii. above, such loss destruction or damage results from a concurrent or subsequent cause not excluded by this or any other *Policy* Exclusion.

General Exclusions (continued)

- e) any financial loss or expense of whatsoever nature including but not limited to business interruption, where it arises directly or indirectly from the type of loss or destruction or damage described in paragraphs c. and d. of this General Exclusion

unless, in respect of c., d. ii. and iii., the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other *Policy* Exclusion.

For the purpose of this General Exclusion:

Computer Equipment means computer equipment, component, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether the property of the *Insured* or not, whether tangible or intangible and including without limitation any information, programs or software.

Virus or Similar Mechanism means any program code, programming instruction or other set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations (whether involving self replication or not), including but not limited to 'Trojan Horses', 'Worms' or 'Logic Bombs'.

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

7 Computer Date Recognition

- a) Material Damage *Section* of this *Policy* does not cover loss destruction or damage directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the *Insured* or not, and whether occurring before, during or after the year 2000, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure
 - i) correctly to recognise any date as its true calendar date;
 - ii) to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date;
 - iii) to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date.
- b) Property Owners Liability *Section* of this *Policy* does not cover any legal liability arising directly or indirectly from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the *Insured* or not, and whether occurring before, during or after the year 2000, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure
 - i) correctly to recognise any date as its true calendar date;
 - ii) to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date;
 - iii) to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date.

8 Diminution in value

diminution of market value beyond the cost of repair or replacement.

Material Damage Section

Definitions

Buildings

The buildings of the predominantly residential properties at the **Premises** which include:

- a) **Landlords Fixtures and Fittings**;
- b) its domestic outbuildings and garages;
- c) swimming pools and tennis courts;
- d) terraces, patios, drives, paths, yards, car parks, roads and pavements, garden walls, hedges, fences, gates, cesspits and septic tanks and communal receiving antennae;
- e) fixed glass,

all belonging to the **Insured** or for which the **Insured** is responsible.

Except as otherwise stated all buildings are constructed of incombustible materials.

Any plan numbers or letters shown in the **Schedule** or specification attached thereto refer to a plan of the **Premises** lodged with or maintained by the **Company**.

Full Contents

Contents of common parts, furniture, furnishings, fitted carpets, domestic appliances and fixtures and fittings and all other property including:

televisions, radios, recording or audio equipment, clocks, pictures, curiosities, or works of art for an amount not exceeding £1,000 for any one article,

all belonging to the **Insured** or for which the **Insured** is responsible whilst contained in the

Buildings insured by this **Section** excluding:

- a) **Landlord's Fixtures and Fittings**;
- b) stock and materials in trade;
- c) motor vehicles (other than domestic gardening equipment), caravans, trailers, cycles, watercraft, hovercraft, aircraft or other aerial devices or parts or accessories on or in any of them;
- d) articles of gold, silver or other precious metals, jewellery, watches, photographic equipment, binoculars, furs, computer equipment, collections of stamps coins and medals
- e) property held in connection with any business other than that stated in the **Schedule**.
- f) property more specifically insured.

Geographical Limits

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

Landlords Fixtures and Fittings

Fixtures and fittings which form a permanent part of the structure including:

- i) additional structural fixtures and fittings which were not part of the original structure;
- ii) central heating systems;
- iii) sanitary fittings.
- iv) interior decorations
- v) aerials

Limited Contents

Carpets, curtains, interior sun blinds, light fittings, fridges, freezers, dishwashers, washing machines, dryers, cookers and microwaves all belonging to the **Insured** or for which the **Insured** is responsible whilst contained in the **Buildings** insured by this **Section**

Premises

The premises described in the **Schedule** or specification attached thereto.

Cover and amount payable

In the event of the property insured suffering accidental **Damage** during the **Period of Insurance**, the **Company** will pay the amount of the **Damage** or at its option replace or repair such **Damage**.

The liability of the **Company** will not exceed the value of the property at the time of the **Damage** or the cost of the **Damage**. The maximum amount payable will not exceed the individual **Sum Insured** set against each item in the **Schedule** or specification attached thereto in any one **Period of Insurance**.

Extensions

Architects', surveyors', consulting engineers' and legal fees

The insurance by each item on **Buildings** includes an amount for architects', surveyors', consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement or repair of the property consequent upon its **Damage** but not for preparing any claim. The total amount payable under this Extension and the **Section** for any item will not exceed its **Sum Insured**.

Capital additions

The insurance by this **Section** on **Buildings** extends to include:

- a) any newly acquired and/or newly erected **Buildings** in so far as they are not otherwise insured;
- b) alterations, additions, and improvements to the **Buildings** insured by this **Section** (but not appreciation in value due to other circumstances), all within the **Geographical Limits**.

Provided that:

- i) at any one situation this cover will not exceed £500,000.
- ii) the maximum liability of the **Company** under this Extension in any one **Period of Insurance** will not exceed £1,000,000.
- iii) the **Insured** will declare to the **Company** particulars of such extensions of cover as soon as practicable and in any event at intervals of not more than six (6) months and to effect specific insurance from inception of cover and pay the appropriate additional premium.
- iv) immediately such specific insurance is effected, cover by this Extension will be fully restored.

Clearance of drains

The insurance by each item on **Buildings** extends to include costs and expenses necessarily incurred by the **Insured** in clearing drains, sewers, and gutters at the premises of the **Insured** or for which the **Insured** is responsible following **Damage** to the property insured under this **Section**.

The total amount payable under this Extension and the **Section** for any item will not exceed its **Sum Insured**.

Contracting purchaser

Where the **Insured** contracts to sell his interest in any **Building** insured by this **Section** the contracting purchaser, who completes the purchase, has the benefit of the insurance by this **Section** up to the date of the completion if and so far as the **Buildings** are not otherwise insured and without prejudice to the rights and liabilities of the **Insured** or the **Company**.

Designation

For the purpose of determining, where necessary, the heading under which any property is insured, the **Company** agrees to accept the designation under which such property has been entered in the **Insured's** books.

European Union and public authorities

The insurance by each item on **Buildings**, **Full Contents** or **Limited Contents** includes the additional cost of reinstating any **Damage** to the property insured incurred solely by reason of the necessity to comply with the Stipulations of European Union Legislation or building or other regulations under, or framed in pursuance of, any act of parliament or with bye-laws of any public authority (hereafter referred to as 'the Stipulations'), excluding:

- a) the cost incurred in complying with any of the aforesaid Stipulations:
 - i) in respect of **Damage** occurring prior to the granting of this Extension.
 - ii) in respect of **Damage** not insured by this **Section**.
 - iii) under which notice has been served upon the **Insured** prior to the happening of the **Damage**.
 - iv) 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 **Damage** 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 by the owner of it by reason of compliance with the Stipulations.

Conditions applicable

- 1 The work of reinstatement must be commenced without unreasonable delay and in any case must be completed within twelve (12) months after the **Damage** or within such further time as the **Company** may allow (during the said twelve (12) months) and may be carried out upon another site (if the Stipulations so necessitate), subject to the liability of the **Company** under this Extension not being increased.
- 2 If the liability of the **Company** under any item of this **Section** apart from this Extension will be reduced by the application of any of the terms and conditions of the **Policy**, then the liability of the **Company** under this Extension for any such item will be similarly reduced.
- 3 The total amount recoverable under any item of this **Section** in respect of this Extension shall not exceed:
 - a) in respect of the damaged property,
 - i) 15% of its **Sum Insured**.
 - ii) where the **Sum Insured** by the item applies to property at more than one premises 15% of the total amount for which the **Company** would have been liable had the property insured by the item at the **Premises** where the **Damage** has occurred been wholly destroyed.
 - b) in respect of undamaged portions of property (other than foundations) 15% of the total amount for which the **Company** would have been liable had the property insured by the item at the **Premises** where the **Damage** has occurred been wholly destroyed.
- 4 The total amount payable under this Extension and the **Section** for any item will not exceed its **Sum Insured**.
- 5 All the terms and conditions of this **Section**, except in so far as they may be expressly varied by this Extension, will apply as if they had been incorporated.

Fire extinguishment expenses

In the event of **Damage** to the property insured caused by fire, the insurance is extended to include costs reasonably and necessarily incurred with the consent of the **Company** in refilling fire extinguishing appliances, replacing used sprinkler heads and in respect of refilling sprinkler tanks resulting from such **Damage**.

Provided that the liability of the **Company** under this Extension in any one occurrence will not exceed £5,000.

Inflation clause

The **Sum Insured** in respect of **Buildings** and **Full Contents** will be increased at monthly intervals during the **Period of Insurance** in line with the movement of the Royal Institution of Chartered Surveyors (RICS) Index (or an alternative index selected by the **Company**).

Each renewal premium will be calculated on the revised **Sum Insured**.

Landscaped areas

The **Company** will also pay the cost of restoring landscaped areas and ornamental features following **Damage** caused by the Fire Brigade or other emergency services attending the **Premises** following **Damage** to the property insured under this **Section** up to a maximum amount, for any one loss, of £25,000.

Metered water, gas or heating oil

In the event of **Damage** to the property insured by a **Defined Peril** for which the **Company** has admitted liability under this **Section** the **Company** will also pay for loss of metered water, gas or heating oil from the **Premises** resulting from such **Damage**.

Provided that the liability of the **Company** under this Extension in any one **Period of Insurance** will not exceed £5,000.

Mortgagees, freeholders and lessors clause

The act or neglect of any mortgagor or leaseholder or lessee or occupier of any **Building** insured by this **Section** where the risk of **Damage** is increased without the authority or knowledge of any mortgagee or freeholder or lessor will not prejudice the interest of the latter party(ies) in this insurance provided they notify the **Company** immediately on becoming aware of such increased risk and pay an additional premium if required.

Non invalidation

The insurance by this **Section** will not be invalidated by any act or omission or by any alterations whereby the risk of **Damage** is increased, either with or without the knowledge of the **Insured**, provided that the **Insured** advises the **Company** as soon as reasonably practicable or upon becoming aware of such alteration and pays any additional premium required.

No reduction in sum insured

In the event of a claim, and in the absence of written notice by the **Company** or the **Insured** to the contrary, the relevant **Sum Insured** will be maintained provided that the **Insured** agrees to pay any additional premium.

Other interests

The interest(s) of other parties in the insurance by this **Section** is noted, it being understood that in the event of **Damage** the nature and extent of such interest(s) will be declared by the **Insured**.

Reinstatement

In the event of any **Buildings, Full Contents** or **Limited Contents** other than clothing or household linen insured by this **Section** sustaining **Damage** the basis upon which the amount payable under such items is to be calculated will be the cost of Reinstatement subject to the provisions set out below.

Reinstatement means:

- a) where property is destroyed the rebuilding of the property if a building or in the case of other property its replacement by similar property in either case in a condition equal to but not better or more extensive than its condition when new.
- b) where property is damaged the repair of the **Damage** or the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

Provisions

- 1 No payment beyond the amount which would have been payable had this Extension not been operative will be made:
 - a) unless the work of Reinstatement is commenced and carried out with reasonable despatch,
 - b) until the cost of Reinstatement has been incurred,
 - c) unless any other insurance covering the **Insured's** interest in the property at the time of **Damage** is upon the same basis of Reinstatement as this **Policy**, and if no such payment is made then the rights and liabilities of the **Company** and the **Insured** will be those which would have applied had this Extension not been operative.
- 2 Reinstatement may be carried out at another site and in any manner suitable to the **Insured** subject to the liability of the **Company** not being increased as a result.
- 3 In the event of partial **Damage** to any property insured under this Extension the **Company's** liability for any loss will not exceed the cost which would have been incurred had such property been totally destroyed.
- 4 Each item insured under this Extension is declared to be separately subject to the following Average Condition:

If the **Sum Insured** on any item at the time of **Damage** is less than 85% of the cost of reinstating the whole of the property insured by such item at the time of Reinstatement then the **Insured** will be considered as being their own Insurer for the difference between the **Sum Insured** and the cost of Reinstatement of the whole of the property and will bear a rateable proportion of the loss accordingly.

Removal of Debris

The insurance by this **Section** extends to include costs and expenses incurred by the **Insured** with the consent of the **Company** in:

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

of the portion(s) of the property, which is the subject of a claim under this **Section**.

The total amount payable under this Extension and the **Section** for any item will not exceed its **Sum Insured**.

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

- i) incurred in removing debris except from the site of any property which is the subject of a claim under this **Section** and the area immediately adjacent to such site
- ii) arising from pollution or contamination of property not insured by this **Section**

Replacement of Locks

The **Company** will also pay for the amount for which the **Insured** is responsible for the necessary replacement of locks to any external door to any **Building** insured by the **Section** following the theft of keys.

Provided that:

- a) The **Company** will not pay following theft of keys by persons who lawfully occupy or have lawfully occupied the **Building**
- b) the liability of the **Company** under this Extension for any one loss will not exceed £1,000

Telephone, gas and water mains

The insurance by each item on **Buildings, Full Contents** or **Limited Contents** 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 the **Insured** or for which the **Insured** is responsible.

Temporary removals

The insurance by each item of property insured extends to cover **Damage** while such property is temporarily removed from the **Premises** or in transit to or from them, within the **Geographical Limits** for cleaning, renovation, repair or other similar purposes, provided that:

- a) the liability of the **Company** under this Extension for any item will not exceed 10% of its **Sum Insured**.
- b) such property is not otherwise insured.

Temporary repairs

The insurance on each item on **Buildings** extends to include the reasonable cost of:

- a) boarding up following breakage of fixed glass;
- b) the provision of temporary doors, following **Damage** insured by this **Section**.

Trace and access

In the event of **Damage** to the property insured caused by bursting, overflowing or leaking of water tanks, apparatus or pipes the insurance is extended to include costs reasonably and necessarily incurred with the consent of the **Company** in locating the source of the **Damage** at the **Buildings** and the subsequent making good.

Provided that the liability of the **Company** under this Extension will not exceed £5,000 for any one loss.

Unauthorised use of electricity gas or water

The insurance by each item on **Buildings** extends to include the cost of metered electricity gas or water for which the **Insured** is legally responsible arising from its unauthorised use by persons taking possession or occupying the property insured without the **Insured's** authority.

Provided that:

- a) the liability of the **Company** under this Extension for any one loss will not exceed £10,000.
- b) the **Insured** shall take all practical steps to terminate such unauthorised use as soon as it is discovered.

Waiver of subrogation rights

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

- a) any company standing in the relation of parent to subsidiary (or subsidiary to parent) to the **Insured**,
- b) any company which is a subsidiary of a parent company of which the **Insured** are themselves a subsidiary, in each case as defined by current legislation.

Workmen

Workmen are allowed in and about any of the **Premises** for the purposes of making new erections or alterations, repair, decoration, plant installation, general maintenance and the like without prejudice to the terms and conditions of this **Section**.

Loss of Rent or Alternative Accommodation

The insurance by each item on **Buildings, Full Contents** and **Limited Contents** includes:

- a) loss of rent as a result of any part of the **Premises** being made uninhabitable following **Damage** by any cause insured by this **Section** or
- b) the reasonable cost of alternative accommodation and temporary storage of residents furniture during the period the **Building** is uninhabitable due to **Damage** covered under this **Section**,

provided that:

- a) the maximum period during which payment will be made under this Extension will not exceed two (2) years from the date of the **Damage**, and
- b) the liability of the **Company** under this Extension shall not exceed 30% of the **Sums Insured** that apply to the **Buildings, Full Contents** and **Limited Contents** which have been damaged.

Exclusions

This **Section** does not cover:

- 1 consequential loss of any kind other than as provided under the Loss of Rent or Alternative Accommodation Extension
- 2 **Damage** to property which, at the time of the **Damage** is insured by or would, but for the existence of this **Section**, be insured by any marine policy(ies), except for any excess beyond the amount which would have been payable under the marine policy(ies) had this insurance not been effected
- 3 **Damage** to any property more specifically insured by or on behalf of the **Insured**
- 4 **Damage** to electrical wiring, plant or apparatus caused by self-ignition but this exclusion will only apply to that part of the electrical wiring, plant or apparatus in which self-ignition occurs
- 5 **Damage** to:
 - a) property or structures in course of construction or erection including materials and supplies in connection with such property in course of construction, or erection,
 - b) dams, reservoirs, piers, jetties, bridges, culverts or excavations,
 - c) growing crops, trees or animals,

Exclusions (continued)

- d) computers, data carrying devices or software,
 - e) jewellery, watches, precious metals, bullion, precious stones, furs, collections of stamps, coins or medals or rare books;
 - f) curiosities or works of art (except insofar as such items are insured under *Full Contents*) unless specified in the *Schedule*.
- 6 **Damage** to:
- a) *Money, Non-Negotiable Instruments*, credit cards, securities, bonds, books of account or documents,
 - b) property in transit or in the course of household removal
- 7 **Damage** to:
- a) vending, amusement or gaming machines or their contents,
 - b) china, earthenware, marble or other fragile or brittle objects, other than such **Damage** caused by a *Defined Peril* insofar as it is not otherwise excluded
- 8 **Damage** to a building or structure caused by its own collapse or cracking unless resulting from a *Defined Peril* insofar as it is not otherwise excluded
- 9 **Damage** caused by pollution or contamination except (unless otherwise excluded) **Damage** to Property Insured caused by:
- a) pollution or contamination which itself results from a *Defined Peril*
 - b) a *Defined Peril* which itself results from pollution or contamination
- 10 **Damage** caused by:
- a) theft or attempted theft other than such **Damage** caused by:
 - i) entry to or exit from the *Premises* by forcible and violent means; or
 - ii) actual or threatened assault or violence or use of force against the *Insured* or any director, partner or employee of the *Insured* or any other person lawfully on the *Premises*, insofar as it is not otherwise excluded
 - iii) theft of moveable property in the open
 - b) vandalism, malicious acts, theft or attempted theft by or with the collusion of the *Insured* or any member of the *Insured's* family or any director or *Employee* of the *Insured*
 - c) theft or attempted theft by or with the collusion of any occupier to the unit in which they reside
 - d) disappearance, unexplained or inventory shortage, shortage in supply or delivery, misfiling or misplacing information or clerical error
 - e) wind, rain, hail, sleet, snow, flood or dust to fences, gates, hedges, hoardings or to any movable property left in the open or in any building which does not have permanent foundations
 - f) **Damage** caused by or consisting of subsidence, ground heave or landslip
 - i) in respect of walls, gates, fences, roads car parks, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas unless covered by this *Section* and a building covered by this *Section* is **Damaged** by the same cause at the same time
 - ii) in respect of movement of solid floor slabs unless the foundations beneath the load bearing walls of the property are damaged by the same cause at the same time
 - iii) resulting from
 - a) the settlement or movement of made-up ground
 - b) coastal or river erosion
 - c) defective design or workmanship or the use of defective materials
 - iv) which commenced prior to the inception of this cover
 - v) occurring as a result of demolition, construction, structural alteration or repair of any property or as a result of ground works or excavation, at the same premises.
 - g) normal settlement or bedding down of new structures

Exclusions (continued)

- 11 **Damage** to property:
 - a) by fire resulting from its undergoing any process involving the application of heat
 - b) (other than by fire) resulting from its undergoing any process of cleaning, restoration, renovation, testing, servicing or repair
- 12 **Damage**:
 - a) caused by freezing,
 - b) caused by escape of water from any tank, apparatus or pipe or escape of oil from any fixed domestic heating installation,
 - c) caused (other than by fire or explosion) by malicious persons,
 - d) caused by theft or attempted theft

in respect **Buildings, Full Contents** or **Limited Contents** of any **Building** (or part thereof) which has not been occupied or utilised for a period of more than ninety (90) consecutive days
- 13 **Damage** caused by:
 - a) inherent vice, latent defect, gradual deterioration, wear and tear, inadequate maintenance frost or change in water table level,
 - b) faulty or defective design, materials or workmanship,
 - c) the bursting of a boiler (not being a boiler used for domestic purposes only), economiser, or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured**, but this will not exclude subsequent **Damage** which itself results from a cause not otherwise excluded
- 14 **Damage** caused by:
 - a) variations in humidity or temperature, corrosion, rust, marring, scratching, vermin, domestic pets, felling or lopping of trees, insects, wet or dry rot, deformation or distortion, shrinkage, evaporation, loss of weight, change in flavour, colour, texture or finish or action of light,
 - b) nipple or joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith,
 - c) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates,

but this will not exclude:

 - i) such **Damage** not otherwise excluded which itself results from a **Defined Peril** or from any other accidental loss, destruction or damage
 - ii) subsequent **Damage** which itself results from a cause not otherwise excluded
- 15 **Damage** caused by operational error or omission on the part of the **Insured** or any of his employees, but this will not exclude loss resulting from:
 - a) such **Damage** not otherwise excluded which itself results from a **Defined Peril**
 - b) subsequent **Damage** which itself results from a cause not otherwise excluded
- 16 **Damage** the cause of which cannot be explained
- 17 **Damage** caused by disturbance or failure of the power or fuel supply except where such disturbance or failure results directly from **Damage** to the electrical or fuel installation at the **Premises** by a **Defined Peril** insofar as it is not otherwise excluded
- 18 **Damage** caused by bursting, overflowing or leaking of water tanks, apparatus or pipes or the escape of oil from any fixed domestic heating installation to the water tank, apparatus, pipe or fixed domestic heating installation itself
- 19 the amount stated under the heading of **Excesses** in the **Schedule**. Such amount will be deducted from each claim for **Damage** at each separate location after all other terms of the **Policy** have been applied, including any Condition of Average.
- 20 the cost of replacing any undamaged item or parts of items forming part of a set, suite, carpet or other article of a uniform nature colour or design when **Damage** or breakage occurs within a clearly identifiable area, or to a specific part and replacements cannot be matched.

Conditions

Fire extinguishing appliances

In respect of *Damage* by fire it is a condition precedent to the liability of the *Company* that any fire extinguishing appliances kept at the *Premises* will be maintained in efficient working order.

Protections

It is a condition precedent to the liability of the *Company* that all protections provided for the safety of the property insured will be maintained throughout the *Period of Insurance* and will not be withdrawn or varied without the *Company's* written consent.

Unoccupied or untenanted buildings

It is a condition precedent to the liability of the *Company* that notice is to be given to the *Company* in the event of any *Building* (or part thereof) being unoccupied or untenanted for a period in excess of 180 consecutive days and a suitable additional premium will be paid if required.

Employer's Liability Section

Definitions

Business

The business as stated in the *Schedule* and including:

- a) provision and management of canteen, sports and social, educational, training and welfare organisations for the benefit of *Employees* and first aid, fire, security and ambulance services;
- b) ownership, maintenance and repair of premises occupied by the *Insured* in connection with the business;
- c) repair or maintenance of vehicles or plant owned or used by the *Insured*;
- d) participation in trade shows or exhibitions;
- e) private work undertaken with the consent of the *Insured* by *Employees* for the *Insured* or any director or *Employee* of the *Insured*.

Costs

1 Legal costs and expenses:

- a) recoverable from the *Insured* by any claimant which have been incurred before the *Company* has paid or offered to pay the full amount of the claim.
- b) incurred with the written consent of the *Company* for representation at:
 - i) any coroner's inquest or fatal accident enquiry;
 - ii) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty.

2 Other costs and expenses incurred by the *Insured* with the written consent of the *Company*.

Geographical Limits

- a) Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- b) Any member country of the European Union for work undertaken by any *Employee* of the *Insured* normally resident in a above;
- c) Elsewhere in the world for commercial visits undertaken by any *Employee* of the *Insured* normally resident in a above, not involving the supervision or performance of manual work.

Injury

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

Offshore Installations

- a) any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b) any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- c) any pipe or system of pipes in the sea or tidal waters
- d) any installation which is intended to provide accommodation for persons who work on or from the locations specified in a., b. or c. above.

Cover

The *Company* will indemnify the *Insured* against all sums which the *Insured* becomes legally liable to pay as damages for accidental *Injury* to any *Employee*, occurring within the *Geographical Limits*, during the *Period of Insurance* and arising in connection with the *Business* established and conducted within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

In addition the *Company* will pay *Costs*.

Amount payable

The total liability of the *Company* under this *Section* (including *Costs* and any cover extensions) for all claims arising out of one occurrence or number of occurrences arising directly or indirectly from one source or cause will not exceed the *Limit of Indemnity* as stated in the *Schedule*.

Extensions

Court attendance costs

If at the request of the *Company* any of the undermentioned persons attend court as a witness in connection with a claim for which the *Insured* is entitled to indemnity under this *Section*, the *Company* will provide compensation to the *Insured* at the undernoted daily rates for each day on which attendance is required:

- a) the *Insured* or any director of the *Insured* £250
- b) any *Employee* £150

Cross liabilities

If more than one party is named in the *Schedule* as the *Insured*, this *Section* applies separately to each provided that the total liability of the *Company* will not exceed the *Limit of Indemnity* as stated in the *Schedule*.

Health and Safety at Work

With the *Company's* written consent, cover will extend to include legal fees and expenses incurred by the *Insured* (or, at the *Insured's* request, by any director or *Employee*) in defending any prosecution or appealing any judgement given, under the Health and Safety at Work etc Act 1974, or the Health and Safety (Northern Ireland) Order 1978, provided that:

- a) the offence relates to an activity involving the health, safety or welfare of any *Employee* and was committed in connection with the *Business* during the *Period of Insurance*;
- b) indemnity does not apply to any deliberate act or omission.

Indemnity to other persons

The *Company* will indemnify in the terms of this *Section*:

- a) if the *Insured* so requests:
 - i) any director or *Employee* for liability for which the *Insured* would have been entitled to indemnity if the claim had been made against the *Insured*
 - ii) any officer or member of the *Insured's* canteen, sports and social, educational, training or welfare organisations and first aid, fire, security and ambulance services
 - iii) the owner of plant hired in by the *Insured*, but only to the extent required by the terms of the contract
- b) any principal to the extent that the contract between the *Insured* and such principal so requires for liability arising from the performance of work on behalf of such principal
- c) the legal personal representatives of any person entitled to indemnity under this *Section* for liability incurred by that person.

Unsatisfied court judgements

In the event of judgement for damages:

- a) obtained in any court in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- b) against any company or individual operating from those territories described in a) above;
- c) by any *Employee* for *Injury* arising out of and in the course of their employment by the *Insured*;

which remains unsatisfied in whole or in part six (6) months after the date of such judgement, the *Company* will at the request of the *Insured* pay to the *Employee* or his legal personal representative the amount of such damages or awarded costs to the extent that they remain unsatisfied.

Provided that:

- i) there is no appeal outstanding;
- ii) the *Insured* would have been entitled to take over and prosecute for its own benefit any claim against any other person in pursuance of any remedies and the *Insured, Employees* or his legal personal representative will give all such information and assistance as the *Company* may require.

Exclusions

The **Company** will not indemnify the **Insured** for:

- 1 any claim arising from or in connection with work on or at or transit by air or sea to or from:
 - a) any **Offshore Installation**;
 - b) any supply, support or accommodation vessel or structure relating to such an installation
- 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 Act (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any subsequent compulsory Road Traffic Act legislation.
- 3 liability in respect of **Injury** to any **Employee** operating a sling and/or cradle

Conditions

Control of claims

The **Company** will have sole control of all claims, procedures and settlements.

Right of recovery

This insurance accords with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, but the **Insured** will repay all sums paid by the **Company** which would not have been paid but for the provisions of such law.

UK jurisdiction

The action for damages is to be brought against the **Insured** in a court of law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Property Owners Liability Section

Definitions

Business

The business as stated in the *Schedule* and including:

- a) provision and management of canteen, sports and social, educational, training and welfare organisations for the benefit of *Employees* and first aid, fire, security and ambulance services;
- b) maintenance, decoration, minor alteration or repair of premises owned or occupied by the *Insured* in connection with the business;
- c) repair or maintenance of vehicles or plant owned or used by the *Insured*;
- d) participation in trade shows or exhibitions;
- e) private work undertaken with the consent of the *Insured* by *Employees* for the *Insured* or any director or *Employee* of the *Insured*.

Costs

- 1 Legal costs and expenses:
 - a) recoverable from the *Insured* by any claimant which have been incurred before the *Company* has paid or offered to pay the full amount of the claim, or the *Limit of Indemnity* stated in the *Schedule*.
 - b) incurred with the written consent of the *Company* for representation at:
 - i) any coroner's inquest or fatal accident enquiry;
 - ii) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty.
- 2 Other costs and expenses incurred by the *Insured* with the written consent of the *Company*.

Damage to Property

- a) Loss of or damage to material property;
and
- b) obstruction, trespass or nuisance.

Geographical Limits

- a) Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
- b) elsewhere in the world for commercial visits undertaken by the *Insured* or any director or *Employee* of the *Insured* normally resident in a above, not involving the supervision or performance of manual work.

Injury

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

Offshore Installations

- a) any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b) any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- c) any pipe or system of pipes in the sea or tidal waters
- d) any installation which is intended to provide accommodation for persons who work on or from the locations specified in a., b. or c. above.

Pollution or Contamination

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

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

Products

Goods (including containers, packaging, labels or instructions for use) manufactured, sold, supplied, repaired, altered, installed, erected, processed, tested, cleaned or treated by the *Insured*.

Cover

The **Company** will indemnify the **Insured** against all sums which the **Insured** becomes legally liable to pay as damages for accidental:

- a) **Injury** to any person; and
- b) wrongful arrest, detention or false imprisonment of any person;
- c) **Damage to Property**;

occurring in connection with the **Business**, within the **Geographical Limits**, during the **Period of Insurance**.

Amount payable

The total liability of the **Company** under this **Section** (including any cover extensions) for all claims

- a) arising out of one occurrence or number of occurrences arising directly or indirectly from one source, original cause or incident will not exceed
- b) arising out of **Pollution or Contamination** which is deemed to have occurred during the **Period of Insurance** will not exceed the lower of £5,000,000 or

the **Limit of Indemnity** stated in the **Schedule**.

In addition the **Company** will pay **Costs**.

Extensions

Contingent liability for employees' vehicles

Despite Exclusion 7b) this **Section** indemnifies the **Insured** against all sums which the **Insured** becomes legally liable to pay as damages for accidental **Injury** or accidental **Damage to Property** arising out of the use of any motor vehicle in connection with the **Business** and not being a motor vehicle which is the property of or provided by the **Insured**.

Provided that the **Company** will not indemnify the **Insured** for:

- a) loss of or damage to any such motor vehicle;
- b) **Injury** or **Damage to Property** while any motor vehicle is being:
 - i) driven by the **Insured**.
 - ii) used elsewhere than in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Court attendance costs

If at the request of the **Company** any of the undermentioned persons attend court as a witness in connection with a claim for which the **Insured** is entitled to indemnity under this **Section**, the **Company** will provide compensation to the **Insured** at the undernoted daily rates for each day on which attendance is required:

- a) the **Insured** or any director of the **Insured** £250
- b) any **Employee** £150

Cross liabilities

If more than one party is named in the **Schedule** as the **Insured**, this **Section** applies separately to each provided that the total liability of the **Company** will not exceed the **Limit of Indemnity** stated in the **Schedule**.

Data Protection Act

The *Company* will indemnify the *Insured* against legal liability to pay compensation for damage or distress arising out of any claim under Sections 22 and 23 of Data Protection Act 1984, provided that:

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

The *Company* will not indemnify the *Insured* for:

- i) the recording or provision of data for reward or for determining the financial status of any person;
- ii) any liability which arises as a result of a deliberate act or omission of the *Insured*;
- iii) legal fees and expenses insured by any other policy;
- iv) the costs of replacing, rectifying or erasing any personal data;
- v) the first 10% or £500 of each and every claim whichever is the greater.

The total liability of the *Company* during any one *Period of Insurance* will not exceed £100,000.

Defective Premises Act 1972

Following disposal of premises owned or occupied by the *Insured* for the *Business*, cover will extend to apply to the *Insured's* legal liability under Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 (except as regards the cost of rectifying defects or alleged defects).

Health and Safety at Work

With the *Company's* written consent, cover will extend to include legal fees and expenses incurred by the *Insured* (or, at the *Insured's* request, by any director or *Employee*) in defending any prosecution or appealing any judgement given, under the Health and Safety at Work etc Act 1974, or the Health and Safety (Northern Ireland) Order 1978, provided that:

- a) the offence relates to an activity involving the health, safety or welfare of any person other than an *Employee* and was committed in connection with the *Business* during the *Period of Insurance*;
- b) indemnity does not apply to any deliberate act or omission.

Indemnity to other persons

The *Company* will indemnify in the terms of this *Section*:

- a) if the *Insured* so requests:
 - i) any director or *Employee* for liability for which the *Insured* would have been entitled to indemnity if the claim had been made against the *Insured*
 - ii) any officer or member of the *Insured's* canteen, sports and social, educational, training or welfare organisations and first aid, fire, security and ambulance services;
 - iii) any tenant or lessee for liability for which the *Insured* would have been entitled to indemnity if the claim had been made against the *Insured*
- b) any principal to the extent that the contract between the *Insured* and such principal so requires for liability arising from the performance of work on behalf of such principal.
- c) the legal personal representatives of any person entitled to indemnity under this *Section* for liability incurred by that person.

If the *Company* is liable to indemnify more than one party the total amount of indemnity to all such parties, including the *Insured*, will not exceed the *Limit of Indemnity* stated in the *Schedule*.

Leased or rented premises

Despite Exclusion 5 this *Section* indemnifies the *Insured* for liability for loss or damage to any building (including fixtures and fittings) leased, let, rented, hired or lent to the *Insured*.

Provided that the *Company* will not indemnify the *Insured* for:

- a) the first £100 of each and every claim caused other than by fire or explosion;
- b) liability arising solely because of a contract.

Legionellosis Liability

Exclusion 6 b) shall not apply to any discharge, release, or escape of Legionella or other air-borne pathogens from water tanks, water systems, air conditioning plants, cooling towers and the like.

Provided that

- a) the **Company** will only indemnify the **Insured**
 - i) in respect of claims arising from **Pollution or Contamination** which arise out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like first made in writing to the **Insured** during the **Period of Insurance**or
 - ii) if the first notification of a circumstance which has caused or is alleged to have caused **Injury or Damage** and can be reasonably expected to give rise to a claim arising from **Pollution or Contamination** which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like is notified to the **Company** during the **Period of Insurance** or within thirty (30) days after expiry of the same **Period of Insurance**
- b) the liability of the **Company** under this Extension for all compensation (including interest thereon) and claimants costs' and expenses payable shall not exceed £500,000 and for all claims arising from **Pollution or Contamination** shall not exceed the **Limit of Indemnity** as shown in the **Schedule**

This Extension shall not apply to any claim arising from **Pollution or Contamination** which arises out of or as a consequence of any discharge, release or escape of Legionella or other air-borne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like if before the **Period of Insurance** the **Insured** has become aware of circumstances which have given or may give rise to such **Pollution or Contamination**.

Occupiers Liability

Where the **Insured** occupies all or part of a **Building** insured by this **Section** as a private dwelling, the **Company** will indemnify the **Insured** or any member of the **Insured's** household against all sums which the **Insured** or any member of the **Insured's** household becomes legally liable to pay as damages for accidental:

- a) **Injury** to any person; and
- b) wrongful arrest, detention or false imprisonment of any person;
- c) **Damage to Property**;

occurring in connection with the occupation of the **Building** as a private dwelling within the **Geographical Limits**, during the **Period of Insurance**.

In respect of this extension, Exclusion 5 is amended to read as follows:

- 5 **Damage to Property** or any consequential loss as a result of such **Damage to Property**:
- a) owned by or hired to the **Insured** or any member of the **Insured's** household;
 - b) held in trust by or in the custody or control of the **Insured** or any member of the **Insured's** household other than **Employees'** or visitors' personal effects and motor vehicles

Overseas Personal Liability

The **Company** will indemnify the **Insured** and at the request of the **Insured** any **Employee** or member of the **Insured's** household for legal liability incurred in a personal capacity whilst temporarily outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

The **Company** will not indemnify the **Insured** for:

- a) legal liability arising directly or indirectly from,
 - i) ownership or occupation of land or buildings;
 - ii) the carrying on of any business profession or trade;
 - iii) any agreement or contract unless liability would otherwise have existed.
- b) liability more specifically insured.

Exclusions

The **Company** will not indemnify the **Insured** for:

- 1 **Injury** to any **Employee**
- 2 any liability arising from or in connection with the ownership or occupation of any premises other than those insured under the Material Damage **Section** of this **Policy**
- 3 fines, penalties, aggravated, liquidated, punitive or exemplary damages or multiplication of damages
- 4 any liability arising from or in connection with:
 - a) the giving of advice by or on behalf of the **Insured**, or
 - b) the design, plan, formula or specification of **Products** or work, for a fee
- 5 **Damage to Property** or any consequential loss as a result of such **Damage to Property**:
 - a) owned by or hired to the **Insured**;
 - b) held in trust by or in the custody or control of the **Insured** other than **Employees'** or visitors' personal effects and motor vehicles
- 6 Any liability in respect of **Pollution or Contamination** occurring:
 - a) in the United States of America and/or Canada
 - b) elsewhere in the world other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**.
- 7 **Injury** or **Damage to Property** caused by, or in connection with the ownership, possession or use by or on behalf of the **Insured** of any:
 - a) railway, watercraft (other than any hand-propelled boat), aircraft or hovercraft;
 - b) mechanically-propelled vehicle (including attached trailers) provided that if there is no indemnity afforded by any other insurance, then in so far as such liability is not the subject of compulsory insurance or security requirements under any Road Traffic Act, this Exclusion will not apply to:
 - i) any vehicle not licensed for road use;
 - ii) any vehicle licensed for road use, where liability arises solely from the use of such vehicle as a tool of trade;
 - iii) the loading or unloading of any vehicle.
 - c) any dog described in Section 1 of the Dangerous Dogs Act
- 8 **Injury** or **Damage to Property** caused by **Products** (except while remaining in the custody or control of the **Insured**) other than:
 - a) food or beverages sold or supplied by the **Insured** to **Employees** or visitors for consumption on the **Insured's** premises;
 - b) plant, machinery, vehicles, furniture, fixtures and fittings which have been disposed of by the **Insured**, and not remaining in the ownership or under the control of the **Insured** and which prior to such disposal were used by the **Insured** for the purpose of conducting or administering the **Business**
- 9 any expenditure incurred in recalling or making any refund on the price paid for any **Products** or of replacing, repairing, reinstating or making good defective workmanship or defective **Products**
- 10 any liability arising directly or indirectly from or in connection with site clearance, excavation, construction or structural alteration, extension or demolition work
- 11 **Injury** or **Damage to Property** caused by or in connection with **Products** supplied which to the knowledge of the **Insured** are for use in or on:
 - a) any aircraft spacecraft or watercraft and which are directly connected with the safety propulsion or navigation of such craft
 - b) any nuclear, petro-chemical or **Offshore Installation** computers or process control equipment.
- 12 any claim from or in connection with work on or at or transit by sea or air to or from:
 - a) any **Offshore Installation**
 - b) any supply, support of accommodation vessel or structure relating to such an installation
- 13 **Injury** or **Damage to Property** caused by or in connection with:
 - a) tree felling or lopping
 - b) the use of explosives
 - c) the spraying or spreading of dust, liquid or gas for the purpose of pest or weed control other than by hand held appliances

Conditions

Actions brought elsewhere in the world

The total liability of the *Company* for all damages payable (including *Costs*) will not exceed the *Limit of Indemnity* as stated in the *Schedule* for legal liability arising in any country not a member of the European Union or any action for damages brought there, or if any subsequent action in connection with non-member countries is brought elsewhere in the world.

Control of claims

The *Company* will have sole control of all claims, procedures and settlements.

Discharge of liability

The *Company* may, at any time, pay to the *Insured* the applicable *Limit of Indemnity* (after deduction of any sums already paid) or any lesser amount for which any claim or claims may be settled and the *Company* will be under no further liability, except for *Costs* incurred prior to the date of payment.

Unoccupied or untenanted buildings

It is a condition precedent to the liability of the *Company* that notice is to be given to the *Company* in the event of any *Building* (or part thereof) being unoccupied or untenanted for a period in excess of 180 consecutive days, and a suitable additional premium will be paid if required.

Additional Benefits

Glass Replacement

Broken glass is dangerous for both you and your customers and in some circumstances can be a major security risk. Allianz Insurance plc have negotiated a special arrangement for you, with one of Britain's leading glass replacement specialists, Solaglas Windowcare.

Solaglas Windowcare will bill us direct – you pay nothing except the Policy Excess and the VAT.

The service is available 24 hours a day, all year round, and can be telephoned **FREE** on **0800 474747**. Please quote your name, policy number and reference **HSBC123-AC**.

Helpline services

To help check and improve service standards, all calls are recorded.

UK Commercial Legal Advice

For confidential legal advice over the phone on any commercial legal problem affecting your **Business** under the laws of the United Kingdom phone **08705 234500**. Please state that you are a HSBC Property Owner policyholder and quote reference HSBCC.

This service is provided 24 hours a day, 7 days a week during the **Period of Insurance**.

UK Tax Advice

For confidential advice over the phone on any tax matters affecting your **Business** under the laws of the United Kingdom phone **08705 234500**. Please state that you are a HSBC Property Owner policyholder and quote reference HSBCC.

This service is provided Monday to Friday 9.00am to 5.00pm (excluding public holidays) during the **Period of Insurance**.

Counselling

The Counselling helpline provides all **Employees** (including any member of their immediate family who permanently live with an **Employee**) with a confidential counselling service over the phone, including where appropriate, onward referral to relevant voluntary and/or professional services.

To contact the counselling helpline, phone **08705 234999**. Please state that you are a HSBC Property Owner policyholder and quote reference number HSBCC.

The Company will not accept responsibility if the Helpline Services fail for reasons we cannot control.

Please do not phone to report a general insurance claim.

Claims Handling

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

- You should refer to the detailed requirements for claim notification contained in the General Conditions of your policy and the Special Conditions applying to individual sections.
The Special Conditions must be complied with otherwise a claim may not be met.

- You should telephone the HSBC Claims Helpline on 0844 871 0941, operated by Allianz Insurance plc and available 24 hours a day

- promptly, if an incident occurs that may lead to you making a claim
- immediately, in the event of a serious accident, loss or damage

Any correspondence in connection with a claim should be addressed to:

Claims Centre Milton Keynes

Allianz Insurance plc

P.O. Box 5525

Milton Keynes

MK9 2XR

Please provide as much information as possible about the claim, and your policy reference if available

In addition if you need emergency assistance you can call the above number, but please do not use this number if you require UK Commercial Legal Advice, Tax Advice or Counselling.

- We recommend you check that the accident, loss or damage is covered by your policy. If you are in any doubt please consult HSBC Insurance Brokers Limited
- You should comply with the requirements for claim notification contained in the policy Conditions, which detail your obligations and our rights in the event of a claim. If you are in any doubt please consult HSBC Insurance Brokers Limited
- You should carry out any emergency action to protect your property from further damage (e.g. turning off main services) or to make it waterproof or secure. We will be pleased to provide advice and assistance to find the right person or organisation to help you. If you do incur any charges please retain the bills as these may form part of your claim
- If emergency work has been completed on your own authority please contact us before permanent repairs begin
- Please do not dispose of damaged items before we have had the opportunity to inspect them
- You should report to the Police any loss or damage from theft, arson, malicious damage, or riot or civil commotion and obtain a crime book reference from them
- Please ensure that your responsibility for injury to someone or damage to their property is not discussed with or admitted to anyone else
- If an employee or someone else is holding you responsible for injury to them or for damage to their property then you should tell us promptly, and send any letters, writs or summons to us unanswered
- Our aim is to deal with your claim promptly and fairly. Depending on the type of claim and value involved we may:
 - forward a claim form for you to complete and sign
 - appoint an independent Loss Adjuster to deal with your claim
 - arrange for one of our Claims staff to visit you
 - reply to you by letter or by telephone.

Caring for Customers

If you have any complaints regarding your insurance policy, please see the Allianz Insurance plc section below. If you have any complaints regarding the sale of your policy or any other aspect of the service provided by HSBC Insurance Brokers Limited please see the HSBC Insurance Brokers Limited Section below.

Allianz Insurance plc

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

Should you wish to make a complaint, then it should be directed to the Customer Satisfaction Manager at the following location.

Allianz Insurance plc
57 Ladymead, Guildford,
Surrey, GU1 1DB
Tel: 01483 552438
Email: accesm@allianz.co.uk

If your complaint is about a claim that we are already handling then please direct your complaint to the office involved if different to the above address.

Whoever you are contacting, please always quote the policy number as it will help your complaint to be dealt with promptly.

Allianz Insurance plc is a member of the Financial Ombudsman Service.

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

HSBC Insurance Brokers Limited

HSBC Insurance Brokers Limited is authorised and regulated by the Financial Services Authority. Our Firm reference number is 310240. We are also a member of the Society of Lloyds

It is our intention to provide you with a high level of customer service at all times. However, if for any reason you are dissatisfied with the arrangement or servicing of your insurance, please contact:

Customer Services Manager
HSBC Insurance Brokers Limited
County Gates House
300 Poole Road
Dorset
BH12 1AZ
Tel: 0845 604 2417
Fax: 0845 585 5290

We aim to resolve all complaints in a fair and speedy manner, usually by close of business on the business day following receipt of the complaint, and in accordance with the guidelines set down by the Financial Services Authority on Complaints handling.

If we cannot resolve the complaint by close of business the next day after the complaint has been received, we will:

- i) acknowledge your complaint in writing within 5 working days either with a full response or information about the progress of your matter and a contact name for future reference;
- ii) within 4 weeks of receipt of your complaint, provide you with a final response or if appropriate, a holding response if the matter has still not been resolved; and
- iii) within 8 weeks from the receipt of your complaint, send you a final response or offer you redress if appropriate.

If following our final response you are dissatisfied with the outcome of your complaint and you are an Eligible Complainant, you may refer it to the Financial Ombudsman Service within 6 months of receiving the final response.

Generally, an Eligible Complainant is one who is:

- a) a private individual;
- b) a business which has a group annual turnover of less than £1million at the time the complaint is made;
- c) a charity which has an annual income of less than £1 million at the time the complaint is made;
- d) a trustee of a trust which has a net asset value of less than £1million at the time the complaint is made.

The Financial Ombudsman Service

The Financial Ombudsman service was set up by law to provide consumers with a free independent service for resolving disputes with financial services firms. From 6 April 2007, it can also review complaints relating to consumer credit services.

Copies of the Financial Ombudsman Service's explanatory leaflet can be obtained free of charge at any of our offices. Details for the Financial Ombudsman Service can also be found by visiting their website www.financial-ombudsman.org.uk or by writing to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR, Telephone 0845 080 1800.

Financial Services Compensation Scheme

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

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities.

Further information about compensation scheme arrangements is available from:

Financial Services Compensation Scheme

7th Floor, Lloyds Chambers

Portsoken Street

London E1 8BN

Tel: 020 7892 7300

Fax: 020 7892 7301

Email: enquiries@fscs.org.uk

www.fscs.org.uk

Data Protection Act

We may use the personal and business details you have given us or which are supplied by third parties including any details of directors, officers, partners and employees to provide you with a quotation; deal with your policy; to search credit reference and fraud agencies who may keep a record of the search; to share with other insurance organisations to help offset risks, to help administer your policy and to handle claims and prevent fraud; to support the development of our business by including your details in customer surveys, and for market research and compliance business reviews which may be carried out by third parties acting on our behalf. You agreed when you applied for the policy that your directors, officers, partners, and employees have consented to our using their details in this way.

We may need to collect data relating to Insured Persons, which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the Insured Persons to such information being processed by us and that this fact is made known to the Insured Persons.

Your details will not be kept for longer than is necessary.

Under the Data Protection Act 1998 individuals are entitled to a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager at the following address for further information: Allianz Insurance plc, 57 Ladymead, Guildford, Surrey, GU1 1DB.

Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.

HSBC Insurance Brokers Limited
County Gates House
300 Poole Road
Dorset
BH12 1AZ
Tel: 0845 604 2417
Fax: 0845 585 5290

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

Allianz Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.
Allianz Insurance plc is authorised and regulated by the Financial Services Authority. Our registration number is 121849.
This can be checked by visiting the FSA website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234