



INSURANCE SERVICES

Residential Landlords Insurance Policy

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Residential Landlords Insurance Policy

This insurance is underwritten by certain underwriters at Lloyd's who are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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

How to Use Your Policy

Your Policy

Your Policy contains details of the extent of cover available to **You**, what is excluded from the cover and the conditions on which the **Policy** is issued.

We wish to provide **You** with a good standard of service. To help **Us** achieve this, it is important that **You** read this **Policy** carefully. If it does not meet **Your** requirements, or **You** have any comment or query about the **Policy**, please contact **Us** through **Your** insurance adviser or at the office which issued **Your Policy**.

Your Schedule

Your Schedule provides details of the insurance protection provided, the Sections of the **Policy** which are operative and the levels of cover **You** have. Please examine **Your Schedule** to ensure it meets **Your** requirements.

Index Linking

The **Sum Insured** by each item of Sections 1 and 2 are index linked as a protection against inflation and at each renewal the premium will be revised in accordance with the index adopted by **Us**.

Index linking will help to ensure that **sums insured** stay more in line with increasing costs and prices. However, this is dependent on the **sums insured** at inception being adequate. Please check these to ensure they are adequate and advise **Us** if any alteration is required.

Making a Claim

To make a claim, first read the **Policy** and **Schedule** and check that **You** are covered. Please then follow the instructions provided under Claims Conditions A - Making a Claim.

You should ask **Your** insurance adviser for a claim form and let **Us** have as much information as soon as possible to help **Us** deal with **Your** claim promptly and fairly.

If **You** are dissatisfied with the way in which a claim or any other matter has been dealt with, please refer to Important Information at the back of this **Policy** Booklet.

Policy Definitions

Certain words and expressions in this **Policy** are defined to have a particular meaning. These have the same meaning wherever they appear in the **Policy** and are defined below. Other Definitions have meanings particular to the Sections, Endorsements and/or **Extensions** in which they appear, and are defined in the appropriate Sections, Endorsements and/or **Extensions**.

All Definitions start in the **Policy** with a capital letter wherever they appear to help **You** identify them.

Business

The '**Business**' as shown in the **Schedule** and no other for the purposes of this **Policy**.

Damage

Loss, destruction or damage.

Excess

The first amount of each and every claim for which **You** shall be responsible.

Index Linking

Whenever a **Sum Insured** is declared to be subject to **Index Linking** it is adjusted at monthly intervals as follows:

- 1 in respect of Buildings in accordance with the percentage change in the General Building Cost Information Service
- 2 in respect of Landlords Contents and Contents of Common Parts in accordance with the Durable Goods Section of the Retail Prices Index.

At each renewal the premium will be adjusted to apply to the **Sum Insured** which then pertains and **We** waive all rights to additional premium arising solely out of such index adjustments prior to renewal.

Injury

Bodily Injury, death, illness, disease or shock.

Period of Insurance

The period beginning with the Effective Date shown in the **Schedule** and ending with the Expiry Date and any other period for which **We** accept **Your** premium.

Policy

This Policy including the Sections and the **Schedule** all of which should be read together as one contract.

Premises

The part of the Premises at the address or addresses specified in the **Schedule** belonging to **You**.

Property

Material Property.

Proposal

Any signed Proposal, declaration or other information supplied to **Us** by **You** or on **Your** behalf.

Reinstatement Basis

The basis upon which the amount payable in respect of the **Property** insured is to be calculated shall be as follows:

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

Special Conditions

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

Schedule

The **Schedule** applicable to the **Policy**.

Sum Insured

The Sum Insured as set out in the **Schedule**.

Vacant or Disused

When the buildings is:

Insufficiently furnished for day to day living purposes, not actively used or untenanted for more than 30 consecutive days.

We/Us/Our

The Underwriters at Lloyd's who have a share in this contract of insurance.

You/Your

The 'Insured Name' in the **Schedule**.

General Conditions

A Observance of Conditions

Your due observance and fulfilment of the terms and conditions of this **Policy**, shall be conditions precedent to **Our** liability to make any payment under this **Policy**.

B Reasonable Precautions

You must:

- 1 take all reasonable precautions to prevent or minimise **Damage**, accident or **Injury**.
- 2 comply with all relevant statutory requirements manufacturer's recommendations and other regulations relating to the use, inspection and safety of **Property** and the safety of persons.
- 3 exercise care in the selection and supervision of Employees
- 4 comply with all relevant statutory requirements manufacturer's recommendations and other regulations relating to the use inspection and safety of **Property** and the safety of persons.

C Change of Risk

We shall not be liable to make any payment under this **Policy** if:

- a any change shall be made in the **Premises**, the **Business** or the occupancy or duties of the Person Insured whereby the risk of **Damage** accident or **Injury** is increased, or
- b **Your** interest ceases (unless the cessation is brought about by will or operation of law) except where such alteration be notified to and accepted by **Us**.
- c If **You** change the address where **Your Property** is located
- d If **Your** sums insured change **We** may then reassess **Your** cover and premium either immediately or at **Your** next renewal, depending on the information **You** have provided.

Note: the list above does not set out all changes **You** must tell **Us** about. If **You** are not sure whether a change may affect **Your** cover, contact **Us** through **Your** broker, intermediary or agent.

D Cancellation

Cooling off period

You are entitled to cancel this contract of insurance by writing to **Your** broker within fourteen days of either: The date **You** receive this contract of insurance; or the start of the **Period of Insurance** whichever is the later.

Right to cancel

You can also cancel this contract of insurance at any time by writing to **Your** broker. Any return premium due to **You** will depend on how long this contract of insurance has been in force and whether **You** have made a claim.

It is noted that if after the Cooling off period **You** request this **Policy** is cancelled, **You** will be entitled to a proportionate refund of premium, based on the number of days remaining in the **Policy** period, unless a claim has been made (or an incident advised that could give rise to a claim) during the **Period of Insurance**, when no refund of premium for the **Period of Insurance** will be made.

We can cancel this contract of insurance by giving **You** thirty (30) days' notice in writing. Any return premium due to **You** will depend on how long this contract of insurance has been in force.

We will only cancel this contract of insurance or any part of it for a valid reason or if there are serious grounds to do so such as:

- Non payment of premium.
- Non –cooperation or failure to supply any information or documentation **We** request.
- **We** establish that **You** have provided **Us** with incorrect information.
- The use of threatening or abusive behaviour language.
- Failure to take reasonable care of the **Property** insured.

Any premium due to **You** will be calculated on a proportional daily rate basis depending on how long this insurance has been in force. No return of premium will be given if a claim has occurred during the period of insurance.

F Unoccupancy

It is a condition of this **Policy** that after 30 days of the **Premises** or any part thereof becoming **Vacant** or **Disused**.

- a all services are to be turned off at the mains, except electricity where needed to maintain any fire or intruder alarm system in operation and the water and heating system drained.
- b the **Premises** are to be adequately secured against unauthorised entry.
- c the **premises** must be inspected externally and internally at least once every 14 days by **You** or a responsible person acting on **Your** behalf.
- d any accumulations of combustible materials such as junk mail and newspapers are to be removed during each inspection of the **Premises**.

G Choice of Law

The parties to an Insurance contract are free to choose the law that will apply. The Law applying to this contract is English Law, unless a specific agreement between both parties has been agreed otherwise.

H Contracts (Rights of Third Parties) Act 1999

A person or company who was not a party to this **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this **Policy**, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

I Interest Clause

The interests of third parties which **You** are required to include on this **Policy** under the terms of any mortgage, **Property** lease, or hiring, leasing or hire purchase agreement are automatically noted subject to **You** advising **Us** as soon as is reasonably practicable.

J Fire Extinguishing Appliances

It is warranted that **You** will ensure that any fire extinguishing appliance kept at **Your Premises** are maintained in efficient working order.

K Changes to **Your** cover

You must tell **Us** through **Your** broker, intermediary or agent immediately if there are any changes that may affect **Your** insurance, such as the following:

- a If **You** change the address where **Your Property** is located.
- b If **Your** sums insured change **We** may then reassess **Your** cover and premium either immediately or at **Your** next renewal, depending on the information **You** have provided.

Note: the list above does not set out all changes **You** must tell **Us** about. If **You** are not sure whether a change may affect **Your** cover, contact **Us** through **Your** broker, intermediary or agent.

L Complaints procedure

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

If **You** have any questions or concerns about **Your** contract of insurance or the handling of a claim **You** should, in the first instance, contact **Your** broker.

In the event that **You** remain dissatisfied, **You** can refer a complaint to the **Policyholder & Market Assistance** team at Lloyd's. The contact details are:

Policyholder & Market Assistance , Lloyd's Market Services, One Lime Street, London EC3M 7HA
Tel: 020 7327 5693; Fax: 020 7327 5225; E-mail: Complaints@Lloyds.com

Copies of **Our** complaints procedures are also available from this address.

Complaints that cannot be resolved by **Policyholder & Market Assistance** at Lloyd's may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process. Making a complaint does not affect **Your** right to take legal action.

Compensation

Lloyd's insurers are covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation from the Scheme if a Lloyd's insurer is unable to meet its obligations to **You** under this contract. If **You** were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract of insurance. Further Information about the Scheme is available from the Financial Services Compensation Scheme (10th Floor, Beaufort House, 15 St. Botolph Street, London EC3A 7QU) and on their website: www.fscs.org.uk

Claims Conditions

A Making a Claim

On the happening of any event which could give rise to a claim under this **Policy You** shall:

- 1 immediately notify **Us** and deliver to **Us**, at **Your** own expense a claim in writing with such detailed particulars and proofs as may be reasonably required. Furthermore, (if demanded) a statutory declaration of the truth of the claim and any matters connected therewith within:
 - a 7 days of the event in the case of **Damage** caused by riot civil commotion strikes labour disturbances or malicious persons.
 - b 30 days of the event in the case of any other claim or such further time as **We** may allow.
- 2 give immediate notice to the Police in respect of:
 - a **Damage** by theft or any attempt thereat.
 - b loss of money by any cause whatsoever.
 - c **Damage** by malicious persons.
- 3 make no admission of liability or offer promise or payment without **Our** written consent.
- 4 inform **Us** immediately of any impending prosecution inquest or fatal inquiry or civil proceedings and send to **Us** immediately every relevant document.
- 5 take all reasonable action to minimise or check any interruption of or interference with the **Business**.
- 6 produce to **Us** such books of account or other **Business** books or documents or such other proofs as may reasonably be required by **Us**, for investigating or verifying the claim.

B Control of Claims

We shall be entitled:

- 1 on the happening of **Damage** to the **Property** insured to enter take and keep possession of any building where **Damage** has happened. To take and keep possession of the **Property** insured and to deal with the salvage in a reasonable manner without thereby incurring any liability. Furthermore, without diminishing **Our** right to rely on any conditions of this **Policy** and this **Policy** shall be proof of leave and licence for such purpose.
- 2 at **Our** discretion to take over and conduct in **Your** name the defence or settlement of any claim. Take proceedings at **Our** own expense and for **Our** own benefit, but in **Your** name to recover compensation or secure indemnity from any third party in respect of any event insured by this **Policy**. **You** shall give all

information and assistance required.

- 3 to any **Property** for the loss of which a claim is paid hereunder and **You** shall execute all such assignments and assurances of such **Property** as may be reasonably required. **You** shall not be entitled to abandon any **Property** to **Us**.
- 4 to pay to **You** the maximum sum payable under **Section 3** (if operative) in respect of any Occurrence or any lesser sum for which the claim or claims arising from such Occurrence can be settled. **We** shall not be under any further liability in respect of that Occurrence, except for the payment of costs and expenses of litigation incurred prior to such payment.

C Fraudulent Claims

If any claim upon this **Policy** be in any respect fraudulent or if any fraudulent means or devices be used by **You** or anyone acting on **Your** behalf to obtain any benefit under this **Policy**, or if any **Damage** be occasioned by **Your** wilful act or with **Your** connivance all benefit under this **Policy** shall be forfeited.

D Other Insurances

If at the time of any **Damage** or Occurrence there be any other insurance or indemnity effected by **You** or on **Your** behalf applicable to such event **Our** liability shall be limited to its rateable proportion. If any other such insurance or indemnity is subject to any provision, whereby it is excluded from ranking concurrently with this **Policy**. Whether in whole or in part or from contributing rateably then **Our** liability shall be limited in respect of any **Damage** or Occurrence to any **Excess** beyond the amount which would be payable under such other insurance or indemnity had this **Policy** not been effected.

E Arbitration

If any difference shall arise as to the amount to be paid under this **Policy**, (liability being otherwise admitted) such difference shall be referred to an Arbitrator to be appointed by the parties in accordance with the current Statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of an Award shall be a condition precedent of any right of action against **Us**.

F Excesses

If **We** agree to indemnify **You** under more than one of Sections 1 and 2 of this **Policy** as a result of the happening of a single event and if an **Excess** applies under more than one of these Sections. Then only one **Excess** being the highest of those which would have applied separately under each **Section** will be deducted from the total claim payment.

G Warranties and Conditions Precedent

Every warranty or condition precedent to which this **Policy** or any **Section** or Item thereof is or may be made subject shall from the time the warranty or condition precedent attaches apply and continue to be in force during the whole currency of this Policy. Non-compliance with any such warranty or condition precedent insofar as it increases the risk of **Damage** shall be a bar to any claim in respect of such **Damage** provided that whenever this **Policy** is renewed a claim in respect of such **Damage** occurring during the **Period of Insurance** shall not be barred by reason of a warranty or condition precedent not having been complied with at any time before the commencement of such period.

H Subrogation

Any claimant under this **Policy** shall at **Our** request and expense take and permit to be taken all necessary steps for enforcing rights against any other third party in **Your** name before or after any payment is made by **Us**.

General Exclusions

GENERAL EXCLUSIONS APPLICABLE TO THE WHOLE OF THIS CONTRACT INSURANCE

a Radioactive Contamination and Nuclear Assemblies Exclusion

We will not pay for loss or destruction of or **Damage** to any **Property** whatsoever, or any loss or expenses whatsoever resulting or arising there from any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

b War Exclusion

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

c Terrorism Exclusion

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of 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 organization(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.

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

If **We** allege that by reason of this exclusion, any loss, **Damage**, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

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

d Existing and Deliberate **Damage**

We will not pay for loss or **Damage** occurring before cover starts or arising from an event before cover starts, caused deliberately by **You** or any permanent member of **Your** home.

e Indirect Loss or **Damage**

We will not pay for any loss or **Damage** that is not directly associated with the incident that caused **You** to claim, unless expressly stated in this contract of insurance.

f Electronic Data Exclusion Clause

We will not pay for:

- 1 loss or destruction of or **Damage** to any **Property** whatsoever, or any loss or expenses whatsoever resulting or arising there from;
- 2 any legal liability of whatsoever nature; directly or indirectly caused by or contributed to by or arising from;
 - computer viruses, erasure or corruption of electronic data;
 - the failure of any equipment to correctly recognise the date or change of date;

For the purposes of this exclusion “computer virus” means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature.

g Biological and Chemical Contamination Clause

We will not pay for:

1. loss or destruction of or **Damage** to any **Property** whatsoever, or any loss or expenses whatsoever resulting or arising there from;
2. any legal liability of whatsoever nature;
3. death or **Injury** to any person;

directly or indirectly caused by or contributed to by or arising from Biological or Chemical contamination due to or arising from; terrorism; and/or steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, threatened, suspected or perceived terrorism.

For the purposes of this exclusion “terrorism” means any act(s) of any person(s) or organisation(s) involving: the causing, occasioning or threatening of harm of whatever nature and by whatever means; putting the public or any section of the public in fear;

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

h Illegal Deliberate and Criminal Activities

We will not pay for:

- a **Damage** or liability caused as a result of the **Property** being used for illegal activities;
- b Deliberate or criminal acts by **You**, any member of **Your** family, **Your** domestic employees, a resident, any person legally on the **premises**; or through deceit of any of these persons.

i Loss of value

We will not pay for any reduction in value of the **Property** insured following repair or replacement paid for under this contract of insurance.

j Wear and Tear

We will not pay for loss or **Damage** caused by Wear and tear or any other gradually operating cause.

k Sanctions

We shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Section 1 | The Structure

Definition

Buildings

Buildings at the **Premises** including landlord's fixtures and fittings, swimming pools, tennis courts, walls, gates, fences, patios, terraces, drives, yards, car parks, car ports, roads, pavements and associated underground pipes and cables belonging to **You** or for which **You** are responsible. The Buildings also include all fixed glass therein and fitments thereon and internal decorations on ceilings, floors, walls and the alike (including carpets and blinds) for which **You** are responsible as owner of the **Premises**.

Cover

We will indemnify **You** in the event of **Damage** to the **Property** described by each Item in the **Schedule** subject to the **Excess** as shown in the **Schedule** caused by any of the following **Contingencies**:

Contingencies

1 Fire, Lightning and Earthquake

2 Explosion but excluding **Damage**:

- a caused by or consisting of the bursting by steam pressure of a boiler, economiser, or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **You** or under **Your** control unless used for domestic purposes only.
- b in respect of and originating in any machinery or apparatus, or its contents, belonging to **You** or under **Your** control which requires to be examined to comply with any Statutory Regulations unless such vessel machinery or apparatus is the subject of a **Policy** or other contract providing the required inspection service.

3 Aircraft or other aerial devices or articles dropped from them.

4 Riot, Civil Commotion, Strikes, Labour Disturbances or Malicious Persons excluding **Damage**:

- a occurring in Northern Ireland.
- b to any portion of the **Building** which is **Vacant** or **Disused**.
- c caused by **Your** employees lawfully on **Your Premises**.

5 Storm or Flood but excluding **Damage**:

- a resulting from frost, subsidence, ground heave or landslip.
- b to gates, fences and posts.

c attributable solely to change in the water table level.

6 Escape of Water from any tank apparatus, pipe or sprinkler installation but excluding **Damage**:

a to any portion of the **Building** which is **Vacant** or **Disused**.

b to **Buildings** caused by frost, other than to internal plumbing installations not in any outbuildings.

7 Impact by any vehicle train or animal.

8 Theft or attempted Theft but excluding **Damage**:

a to any portion of the **Building** which is **Vacant** or **Disused**.

b caused by **Your** Employees or any persons lawfully on **Your Premises**.

9 Breakage or collapse of television or radio aerials, aerial fittings, masts, satellite dishes or falling trees but excluding **Damage**:

a by lopping pruning or felling of trees.

b to gates, fences and posts.

10 Leakage of fuel from any fixed oil heating installation, but excluding **Damage** to any portion of the **Building** which is **Vacant** or **Disused**.

11 Any Accidental Damage

Any Other Accidental **Damage** but excluding:

a **Damage** caused by or resulting from:

i Wear and tear, the action of light or atmosphere, moths, vermin or insects.

ii any process of cleaning, dyeing, restoring, adjusting or repairing.

iii corrosion, dampness, dryness, wet or dry rot, marring, or scratching.

iv wind, hail, sleet, snow, flood or dust to boundary walls, gates or fences.

v subsidence or ground heave of any part of the site on which the **Property** stands, or landslip

vi the normal settlement or bedding down of new structures.

Vii **Damage** caused by domestic pets.

b **Damage** to the **Property** insured caused by or consisting of:

i inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials.

ii faulty or defective workmanship operational error or omission on **Your** part or any of **Your** Employees but this, shall not exclude subsequent **Damage** which results from a cause not otherwise excluded.

c **Damage** specifically excluded in the:

- i **Contingencies** 1-10 in **Section 1**.
- ii Exclusions to **Section 1**.
- iii General Exclusions.

d the collapse or cracking of **Buildings**.

e the cost of normal maintenance, redecoration or repair.

f the amount of the **Excess** stated in the **Schedule** for each and every claim.

12 Subsidence, Ground Heave, Landslip

Subsidence or Ground Heave of any part of the site on which the **Property** stands or Landslip excluding:

a **Damage** to yards, car parks, roads, pavements, swimming pools, walls gates, and fences unless also affecting a **Building** insured hereby.

b **Damage** caused by or consisting of:

- i for loss or **Damage** to domestic fixed fuel-oil tanks, swimming pools, tennis courts, drives, patios and terraces, walls, gates and fences unless the private dwelling is also affected at the same time by the same event.
- ii for loss or **Damage** to solid floors unless the walls of the private dwelling are Damaged at the same time by the same event.
- iii for loss or **Damage** caused by faulty or unsuitable materials or design or poor workmanship.
- iv for loss or **Damage** which compensation has been provided for or would have been but for the existence of this contract of insurance under any contract or a guarantee or by law.
- v for loss or **Damage** caused by coastal or river bank erosion.
- vi for loss or **Damage** whilst the **Buildings** are undergoing any structural repairs, alterations, extensions or demolition.
- vii for loss or **Damage** caused by normal Settlement and / or any general deterioration of the **Building**.
- viii loss or **Damage** caused by the action of chemicals on, or the reaction of chemicals with, any materials which form part of the **Buildings**.

c **Damage** which originated prior to the inception of this cover.

d **Damage** resulting from:

- i demolition, construction, structural alteration or repair of any **Property**, or
- ii groundworks or excavation at the same **Premises**.

e the amount of the **Excess** stated in the **Schedule** for each and every claim.

Extensions

1 Underground Services

The insurance by this **Section** is extended to include accidental **Damage** to underground service pipes and cables at the **Premises** for which **You** are responsible as owner of the **Premises**.

2 Ground Rent

The insurance by this **Section** is extended to include up to 2 years ground rent if the **Premises** are rendered temporarily uninhabitable, but only during the period necessary for reinstatement and up to a maximum of 10% of the **Buildings Sum Insured**.

3 Public Authorities

The insurance by this **Section** is extended to include the additional cost of reinstatement of the **Property** sustaining **Damage** thereby insured and undamaged portions thereof incurred solely to comply with European Community legislation, regulations under Acts of Parliament or local authority bye-laws, provided that:

- a **You** receive the notice to comply after the **Damage** occurs
- b the work of reinstatement is completed within twelve months of the date of the **Damage**, or within such further time as **We** may in writing allow.
- c **We** shall not be liable for any additional rate, tax duty or other charge which may become payable following compliance with such legislation, regulations or bye-laws.

4 Fees

The insurance by this **Section** is extended to include Architects Surveyors Legal and Consulting Engineers Fees necessarily incurred in the reinstatement or repair of the **Property** insured consequent upon its **Damage** but not for preparing any claim.

5 Capital Additions

The insurance by this **Section** is extended to include:

- a any newly acquired and/or newly erected **Buildings** or **Buildings** in course of erection (excluding any **Property** for which a building contractor is responsible) insofar as the same are not otherwise insured
- b alterations, additions and improvements to **Buildings** but not in respect of any appreciation in value anywhere in the United Kingdom the Channel Islands or the Isle of Man provided that:
 - i at any one situation this cover shall not exceed 10% of the **Buildings Sum Insured** or £500,000 whichever is the less.
 - ii **You** undertake to give particulars of such extension of cover as soon as practicable and to pay any additional premium required.
 - iii following payment of such additional premium the provisions of this Extension are fully reinstated.

6 Removal of Debris

The insurance by this **Section** is extended to include costs and expenses necessarily incurred by **You** with **Our** consent in:

- a removing debris from the site of the **Premises** and the area immediately adjacent

- b dismantling and/or demolishing shoring up or propping of the portion or portions of the **Property** sustaining **Damage** by any of the **Contingencies**.

We will not pay for any costs or expenses:

- i incurred in removing debris except from the site of such **Property** sustaining **Damage** and the area immediately adjacent to such site.
- ii arising from pollution or contamination of **Property** not insured by this **Section**.

7 Damage by Emergency Services

The insurance by this **Section** is extended to include the cost of restoring any **Damage** caused to gardens by the Emergency Services in attending the **Premises** as a result of the operation of any Contingency insured under this **Section** up to a maximum of £25,000 any one claim.

8 Contracting Purchaser's Interest

If at the time of **Damage** **You** have contracted to sell **Your** interest in any **Building** insured by this **Section** and the purchase shall not have been but shall be thereafter completed. The purchaser on completion of the purchase (if and so far as the **Property** is not otherwise insured against such **Damage** by them or on their behalf) shall be entitled to benefit under this **Section** without prejudice to **Your** and **Our** rights and liabilities until completion.

9 Trace and Access

In the event of **Damage** by **Contingencies** 6 or 10 the insurance by this **Section** extends to include costs necessarily and reasonably incurred in locating the source of the **Damage** to effect repairs and the costs of making good up to a limit of £1,000 any one claim.

10 Subrogation Waiver

In the event of a claim arising under **Section** 1, **We** agree to waive any rights, remedies or relief to which **We** may become entitled by subrogation against:

- a any Company standing in the relation of Parent to Subsidiary (or Subsidiary to Parent) to **You** as defined in the Companies Act current at the time of **Damage**.
- b any Company which is a subsidiary of a Parent Company of which **You** are a subsidiary, in each case within the meaning of the Companies Act current at the time of the **Damage**.
- c any tenant or lessee of the **Buildings** insured provided that **Damage** has not been caused by the criminal fraudulent or malicious act of the tenant or lessee.

11 Non-Invalidation

This insurance will not be invalidated by any act or omission or by any alteration whereby the risk of **Damage** is increased unknown to **You** or beyond **Your** control provided that **You** immediately give notice to **Us** as soon as **You** become aware of the above and pay an additional premium if required.

12 Workmen

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

13 Mortgage

The act or neglect of any mortgagor, leaseholder, lessee or occupier of any **Building** insured by this **Policy** whereby the risk is increased without the authority or knowledge of any mortgagee, freeholder or lessor will not prejudice the interest of the latter parties in this insurance provided they notify **Us** immediately on becoming aware of such increased risk and pay an additional premium if required.

14 Clearing of Drains

The insurance by this **Section** is extended to cover expenses necessarily incurred in clearing, cleaning and/or repairing drains, gutters, sewers and the like in consequence of **Damage** caused by any of the **Contingencies** insured occurring on **Your own Premises**.

15 Fire Extinguishment Expenses

The insurance by this **Section** is extended to include costs reasonably and necessarily incurred with **Our** consent in refilling fire extinguishing appliances, replacing used sprinkler heads and refilling sprinkler tanks following **Damage** provided that **Our** liability under this extension shall not exceed £5,000 for any one claim.

16 Metered Water and Heating Oil

The insurance by this **Section** is extended to include the cost of metered water and heating oil following **Damage** provided that **Our** liability under this extension shall not exceed £5,000 in any **Period of Insurance**.

17 Unauthorised Use of Electricity Gas or Water

The insurance by this **Section** extends to include the cost of metered electricity gas or water for which **You** are legally responsible arising from its unauthorised use by persons taking possession or occupying **Your Premises** without **Your** consent. Provided that **Our** liability in respect of this extension shall not exceed £10,000 for any one claim and **You** shall take all practical steps to terminate such unauthorised use immediately **You** become aware of it.

18 Theft and Malicious **Damage** by Tenants

The insurance by Sections 1 and 2 is extended to include **Damage** as defined under **Contingencies** 4 and 8 of **Section 1** and **Contingencies** 4 and 8 of **Section 2** by tenants and other persons lawfully on **Your Premises** and which cannot be recovered from any security deposit lodged by the tenant.

Our liability under this extension shall not exceed £5,000 in any **Period of Insurance**.

Exclusions

This **Section** does not cover:

- 1 **Property** more specifically insured by **You** or on **Your** behalf.
- 2 **Damage** to any particular piece of plant or fittings of the electrical installation or appliances by self-ignition, short circuit, Excessive pressure, self-heating or leakage of electricity unless more specifically insured under the **Policy Extensions**.

3 If at the time of the **Damage** any **Buildings** which are awaiting refurbishment, redevelopment or renovation **We** shall not be liable for any costs that would have been incurred by the Insured in the absence of such **Damage**.

4 any loss **Damage** or liability arising out of the activities of any contractor.

Special Conditions

1 Index Linking

The **Sum Insured** by each item of **Section 1** of the **Schedule** is subject to **Index Linking**.

2 Limit of Liability

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

3 Basis of Claims Settlement

The Basis of Settlement for each and every Item under this **Section** shall be on a **Reinstatement Basis**.

4 Designation

For the purpose of determining where necessary the heading under which **Property** is insured, **We** agree to accept the designation under which such **Property** has been entered in **Your** books.

5 Automatic Reinstatement of **Sum Insured**

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

6 Excess

We shall not be liable for the amount of the **Excess** stated in the **Schedule** for each and every claim in respect of all **Contingencies**.

7 Flat Roof Condition

Any flat portion of the roof is to inspected once every 5 years by a competent roofing contractor and any recommendations implemented.

Section 2 | Landlords Contents

Definitions

Landlords Contents

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

- a bills of exchange, promissory notes, money, securities, stamps, deeds, bonds or documents of any description.
- b Business books, plans, specifications, designs and computer records.
- c jewellery, watches, furs, precious metals, precious stones or articles made from them.
- d curios, works of art, antiques, sculptures or rare books.
- e **Property** more specifically insured.

Contents of Common Parts

Landlords Contents in the common parts of the buildings to which all tenants have access.

Cover

We will Indemnify **You** in the event of **Damage** to the **Landlords Contents** and/or Contents of Common Parts insured at the **Premises** caused by any of the following **Contingencies**:

Contingencies

1 Fire, Lightning and Earthquake

2 Explosion but excluding **Damage**:

- a caused by or consisting of the bursting by steam pressure of a boiler, economiser, or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **You** or under **Your** control unless used for domestic purposes only.
- b in respect of and originating in any machinery or apparatus, or its contents, belonging to **You** or under **Your** control which requires to be examined to comply with any Statutory Regulations unless such vessel machinery or apparatus is the subject of a **Policy** or other contract providing the required inspection service.

3 Aircraft or other aerial devices or articles dropped from them.

4 Riot, Civil Commotion, Strikes, Labour Disturbances or Malicious Persons excluding **Damage**:

- a occurring in Northern Ireland.
- b to **Property** in any portion of the **Premises** which is **Vacant** or **Disused**.
- c to **Property** in the open.
- d caused by **Your** employees lawfully on **Your Premises**.

5 Storm or Flood but excluding **Damage**:

- a resulting from frost, subsidence, ground heave or landslip.
- b to **Property** in the open.
- c attributable solely to change in the water table level.

6 Escape of Water from any tank apparatus pipe or sprinkler apparatus but excluding **Damage** to **Property** in any portion of the **Premises** which is **Vacant** or **Disused**.**7 Impact** by any vehicle train or animal**8 Theft or attempted Theft** but excluding:

- a theft from any garden, yard or open space and any outbuilding detached from the main building.
- b **Damage** to **Property** in any portion of the **Premises** which is **Vacant** or **Disused**.
- c caused by **Your** Employees or persons lawfully on **Your Premises**.

9 Breakage or collapse of television or radio aerials, aerial fittings, masts, satellite dishes or falling trees but excluding **Damage**:

- a by lopping pruning or felling of trees.
- b to **Property** in the open.

10 Leakage of fuel from any fixed oil heating installation but excluding **Damage** to **Property** in any portion of the **Premises** which is **Vacant** or **Disused**.

11 Any Accidental **Damage**

Any Other Accidental **Damage** but excluding:

a **Damage** caused by or resulting from:

- i Wear and tear, the action of light or atmosphere, moths, vermin or insects.
- ii any process of cleaning, dyeing, restoring, adjusting or repairing.
- iii corrosion, dampness, dryness, wet or dry rot, marring, scratching, bruising or deterioration.
- iv subsidence or ground heave of any part of the site on which the **Property** stands, or landslip.
- v **Damage** caused by domestic pets.

b **Damage** to the **Property** insured caused by or consisting of:

- i inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level , its own faulty or defective design or materials.
- ii faulty or defective workmanship, operational error or omission on **Your** part or any of **Your** Employees

but this shall not exclude subsequent **Damage** which results from a cause not otherwise excluded.

c **Damage** to any machine or apparatus arising from mechanical, electrical or electronic breakdown or derangement or from adjustment, maintenance or repair unless more specifically insured under the **Policy Extensions**.

d **Damage** specifically excluded in the:

- i **Contingencies** 1-10 in **Section 2**.
- ii Exclusions to **Section 2**.
- iii General Exclusions.

e normal maintenance or repair.

f erasure or distortion of information on computer systems or other records.

g **Damage** by confiscation or detention by Customs or other officials or authorities.

h **Damage** following dishonesty or fraudulent action by **Your** employees or any person lawfully on the **Premises**.

I the amount of the **Excess** stated in the **Schedule** for each and every claim.

12 Subsidence, Ground Heave, Landslip

Subsidence or Ground Heave of any part of the site on which the **Property** stands or Landslip excluding:

- a **Damage** to yards, car parks, roads, pavements, swimming pools, walls gates, and fences unless also affecting a building insured hereby.

- b Damage** caused by or consisting of:
 - i** for loss or **Damage** to domestic fixed fuel-oil tanks, swimming pools, tennis courts, drives, patios and terraces, walls, gates and fences unless the private dwelling is also affected at the same time by the same event.
 - ii** for loss or **Damage** to solid floors unless the walls of the private dwelling are Damaged at the same time by the same event.
 - iii** for loss or **Damage** caused by faulty or unsuitable materials or design or poor workmanship.
 - iv** for loss or **Damage** which compensation has been provided for or would have been but for the existence of this contract of insurance under any contract or a guarantee or by law.
 - v** for loss or **Damage** caused by coastal or river bank erosion.
 - vi** for loss or **Damage** whilst the buildings are undergoing any structural repairs, alterations, extensions or demolition.
 - vii** for loss or **Damage** caused by normal Settlement and / or any general deterioration of the building.
 - viii** loss or **Damage** caused by the action of chemicals on, or the reaction of chemicals with, any materials which form part of the buildings.
- c Damage** which originated prior to the inception of this cover.
- d Damage** resulting from:
 - i** demolition, construction, structural alteration or repair of any **Property**, or
 - ii** groundworks or excavation at the same **Premises**.
- e** the amount of the **Excess** stated in the **Schedule** for each and every claim.

Extensions

1 Temporary Removal

The insurance by this **Section** is extended to include Contents of Common Parts whilst temporarily removed from or in transit to or from the **Premises** for cleaning renovation repair or similar purposes but remaining in the United Kingdom, the Republic of Ireland, the Channel Islands or the Isle of Man but excluding:

- a** any amount exceeding 10% of the **Sum Insured** stated in the **Schedule** in respect of Contents of Common Parts.
- b Property** otherwise insured.

2 Replacement Locks

The insurance by this **Section** is extended to include the cost of changing the safe and external door locks at the **Premises** up to a limit of £1,000 following loss of keys:

- a** by Theft from **Your Premises** or **Your** home or that of **Your** authorised employee.
- b** by Robbery as insured herein whilst such keys are in **Your** personal custody or that of **Your** authorised employee excluding the first £25 of each and every claim.

3 Removal of Debris of Tenants' Contents

The insurance by this **Section** is extended to include irrecoverable costs and expenses necessarily incurred by **You** with **Our** consent in removing from the **Premises** the debris of Contents (not being **Your Property**) sustaining **Damage** by any of the **Contingencies** insured up to a limit of £25,000 any one **Premises**.

We will not pay for any costs or expenses:

- a incurred in removing debris except from the site of such **Property** sustaining **Damage** and the area immediately adjacent to such site.
- b arising from pollution or contamination of **Property** not insured by this **Section**.

4 Loss of Oil and Metered Water

The insurance by this **Section** is extended to include the loss of oil or metered water contained in a fixed installation at the **Premises** following **Damage** up to a limit of £5,000 in any one **Period of Insurance**.

5 Household Removals

The Insurance by this **Section** is extended to include the loss of or **Damage** to Contents while being moved by professional furniture removers from the **Premises** to another address (including temporary storage in a furniture depository for up to 7 consecutive days) in the British Isles.

6 Contents in Open

The Insurance by this **Section** is extended to include loss of or **Damage** to Contents happening in the open on land belonging to the **Premises**.

We shall not be liable for more than £250 for any one incident.

7 Theft and Malicious **Damage** by Tenants.

The insurance by Sections 1 and 2 is extended to include **Damage** as defined under **Contingencies** 4 and 8 of **Section** 1 and **Contingencies** 4 and 8 of **Section** 2 by tenants and other persons lawfully on **Your Premises** and which cannot be recovered from any security deposit lodged by the tenant.

Our liability under this extension shall not exceed £5,000 in any **Period of Insurance**.

Exclusions

This **Section** does not cover:

- 1 **Property** more specifically insured by **You** or on **Your** behalf.
- 2 **Damage** due to cessation of work or by confiscation or detention by customs or other officials or authorities.
- 3 **Damage** to any particular piece of plant or fittings of the electrical installation or appliances by self-ignition, short circuit, Excessive pressure, self-heating or leakage of electricity unless more specifically insured under the **Policy Extensions**.
- 4 **Damage** to any electrical sign or its installation.

Special Conditions

1 Index Linking.

The **Sums Insured** by this **Section** are subject to **Index Linking**.

2 Limit of Liability

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

The value of any one article shall not exceed £1,000.

3 Basis of Claims Settlement.

The Basis of Settlement for each and every Item under this **Section** shall be on a **Reinstatement Basis**.

4 Automatic Reinstatement of **Sum Insured**.

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

- a **You** undertake to pay the appropriate additional premium
- b **You** shall take immediate steps to carry out any alterations to the protections of the **Premises** which **We** may require.

5 Excess

We shall not be liable for the amount of the **Excess** stated in the **Schedule** for each and every claim in respect of all **Contingencies**.

6 Flat Roof Condition

Any flat portion of the roof is to inspected once every 5 years by a competent roofing contractor and any recommendations implemented

Section 3 | Property Owners Liability

Legal Liability to the Public

This **Section** applies only if the **Schedule** shows that either the buildings are insured under **Section** one or the contents are insured under **section** two of this contract of insurance

Part A

Part A of this **Section** applies in the following way:

- if the buildings only are insured, **Your** legal liability as owner only but not as occupier is covered under Part A(i) below.
- if the buildings and contents are insured, **Your** legal liability as owner or occupier is covered under Part A(i) and Part A(ii) below.

What is covered

We will pay for **Your** legal liability

- i as owner or occupier up to the limits stated in the **Schedule** for any amounts **You** become legally liable to pay as Damages for bodily **Injury** and / or **Damage** to **Property** caused by an accident happening at the **Premises** during the **Period of Insurance**.

What is not covered

a for bodily **Injury** to

- **You**
- any other permanent member of the home unless a signed lease agreement is in force.
- any person who at the time of sustaining such **Injury** is engaged in **Your** service.

b for bodily **Injury** arising directly or indirectly from any communicable disease or condition.

c arising out of any criminal or violent act to another person or **Property**.

d arising directly or indirectly out of any profession, occupation, **Business** or employment.

e which **You** have assumed under contract and which would not otherwise have attached.

f arising out of **Your** ownership, possession or use of:

- i any motorised or horse drawn vehicle other than domestic gardening equipment used within the **Premises**.
- ii any power-operated lift.
- iii any aircraft or watercraft other than manually operated rowing boats, punts or canoes.

iv any animal other than cats, horses, or dogs which are not designated as dangerous under the Dangerous Dogs Act 1991.

g in respect of any kind of pollution and/or contamination other than:

- caused by a sudden, identified, unexpected and unforeseen accident which happens in its entirety at a specific moment of time during the **Period of Insurance** at the **Premises** named in the **Schedule**; and reported to **Us** not later than 30 days from the end of the **Period of Insurance**;
- in which case all such pollution and/or contamination arising out of such accident shall be deemed to have happened at the time of such accident.

h arising out of **Your** ownership, occupation, possession or use of any land or building that is not within the **Premises**.

i if **You** are entitled to indemnity under any other insurance, including but not limited to any horse or travel insurance, until such insurance(s) is exhausted

Part B

What is covered

We will pay for any amount **You** become legally liable to pay under **Section 3** of the Defective **Premises Act 1972** or Article 5 of the Defective **Premises (Northern Ireland) Order 1975** in connection with any home previously owned and occupied by **You**.

What is not covered

We will not pay for any liability if **You** are entitled to payment under any other insurance for the cost of repairing any fault or alleged fault.

Applicable to Part A & B of Section 3

Limit of insurance

We will not pay in respect of pollution and/or contamination:

more than GBP 2,000,000 in all In respect of other liability covered under this **Section**:

More than GBP 2,000,000 for any one accident or series of accidents arising out of any one event, plus the costs and expenses which **We** have agreed in writing.

Section 4 | Rent Receivable

Definitions

Indemnity Period

The period beginning with the occurrence of the **Damage** and not exceeding 20% of the Buildings **Sum Insured** as stated in the **Schedule** during which the **Rent Receivable** is affected as a result of the **Damage**.

Rent Receivable

The money including service charges paid or payable to **You** from the letting of **Premises** specified in the **Schedule**.

Additional Expenditure

The additional expenditure necessarily and reasonably incurred with **Our** consent.

Outstanding Debit Balances

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

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

Cover

1 Loss of Rent

If any **Property** owned by **You** or for which **You** are responsible sustains **Damage**, for which liability has been admitted under Sections 1 or 2, causing an interruption of the **Business** which results in loss of **Rent Receivable**. **We** will indemnify **You** for the:

- a amount by which the **Rent Receivable** during the **Indemnity Period**, as a result of **Damage**, falls short of the **Rent Receivable** which would have been received during the **Indemnity Period** had no **Damage** occurred
- b **Additional Expenditure** for the sole purpose of avoiding or diminishing the reduction in **Rent Receivable** during the **Indemnity Period** as a result of the **Damage**, not exceeding the amount of **Rent Receivable** thereby avoided less any sum saved during the **Indemnity Period** in respect of charges or expenses payable out of **Rent Receivable** which cease or are reduced as a result of the **Damage** and provided that **Our** liability in respect of each Item on **Rent Receivable** will not exceed 200% of the **Sum Insured**.
- c auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this **Section**.

Extensions

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

1 Boiler Explosion

Damage resulting from the explosion of any boiler or economiser on the **Premises** belonging to **You** or under **Your** control.

2 Prevention of Access

Damage to Property:

a in the vicinity of the **Premises** caused by any of the **Contingencies** insured under **Section 1** which prevents or hinders use of or access to the **Premises**

b at the **premises** of **Your** managing agents in the United Kingdom, the Channel Islands or the Isle of Man.

3 Alternative Accommodation

In the event of **Damage** to the **Premises** caused by any of the **Contingencies** insured under **Section 1** resulting in:

a a residential portion of the **Premises** being uninhabitable

or

b access being prevented to a residential portion of the **Premises** this insurance extends to include the reasonable additional cost of similar comparable accommodation incurred by the lessee or owner until the residential portion is habitable or accessible.

The amount payable under this Extension will not exceed the **Sum Insured** shown in the **Schedule** during any one **Period of Insurance**.

4 Loss of Book Debts

If **Your** account books or other **Business** books or records whilst on **Your Premises** or temporarily removed to any **premises** in the United Kingdom, Republic of Ireland, the Isle of Man or the Channel Islands or in transit between them, sustain **Damage** from any of the **Contingencies** insured under **Section 1** of this **Policy** which results in **Your** inability to trace or establish the **Outstanding Debit Balances** **We** will pay **You**:

a the difference between the **Outstanding Debit Balances** and the total of the amounts received or traced in respect thereof.

b the **additional expenditure** incurred with **Our** consent in tracing and establishing customers' debit balances after the **Damage**.

c auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this **Section**. provided that if the **Sum Insured** stated in the **Schedule** is less than the **Outstanding Debit Balances** the amount payable shall be proportionately reduced.

This loss of Book Debts Extension does not cover loss as a result of:

i erasure or distortion of information on computer systems or other records:

- a due to the presence of a magnetic flux or whilst mounted in or on any machine or data processing apparatus unless caused by **Damage** to said machine or apparatus.
- b due to defects in such records

ii deliberate falsification of business records.

iii mislaying or misfiling of tapes and records.

iv the deliberate act of the public supply undertaking in restricting or withholding electricity supply..

v wear and tear and gradual deterioration vermin rust damp or mildew.

vi dishonest or fraudulent acts by any of **Your** employees.

Special Condition applicable to this Extension

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

a in a locked, fire-resistant safe or cabinet at the **Premises** or

b away from the **Premises**

5 Public Utilities

a accidental failure of public supplies of electricity gas or water at the terminal ends of the utilities service feeders to the **Premises** not occasioned by:

- i **Your** wilful act or neglect.
- ii a deliberate act of the supply undertaking unless for the sole purpose of safeguarding life or protecting any part of the supply undertaking system.
- iii a scheme of rationing unless solely necessitated by accidental **Damage** to the supply undertakings generating or supply equipment.
- iv any industrial action or drought.
- v any failure of supply lasting for less than thirty minutes

b **Damage to Property** at any land based **premises** of the public telecommunications undertaking from which **You** obtain telecommunications services.

6 Professional Accountants' Charges

Any particulars or details in **You** books of account or other information or evidence which **We** may require under the conditions of this **Policy** for the purpose of investigating or verifying any claim may be produced by professional accountants if, at any time, they are regularly acting as such for **You** and their report will be prima facie evidence of the particulars and details to which such report relates.

We will pay the reasonable charges payable by **You** to the accountants for producing such information. Provided that the total amount payable under the **Policy** will not exceed its **Sum Insured**.

7 Automatic Rent Review

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

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

8 Waiver of Subrogation Rights

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

- a any company standing in the relation of parent to subsidiary (or subsidiary to parent) to **You**
- b Any company which is a subsidiary of a parent company of which **You** are a subsidiary In each case as defined by current legislation
- c any tenant of the **Buildings** unless the **Damage**:
 - i has been occasioned or contributed to the fraudulent or criminal or malicious act of such tenant
 - ii has been caused by impact by any road vehicle belonging to or under the control of the tenant or his employees
 - iii has occurred to parts of the **Premises** not leased or rented by such tenant (other than common parts which may be used by all tenants).

9 Sale of Property

If **You** have contracted to sell the **Buildings** and the sale is subsequently delayed or cancelled as a direct result of **Damage** as covered under **Section 1** of this **Policy**, or another material **Damage** insurance arranged on **Your** behalf where liability has been accepted, **We** will pay:

- a the actual interest charges incurred by **You** on capital borrowed in anticipation of the sale proceeds from the **Buildings**, or
- b for the loss of actual investment interest lost on sale proceeds provided every reasonable effort is made by **You** to complete the sale of the **Property**. The above interest will be calculated from the date of the proposed sale and end on the date of actual sale or expiry of the **Indemnity Period**, whichever is the earlier.

Special Conditions

1 Limit of Liability

The maximum amount payable in any one **Period of Insurance** in respect of any item insured under this **Section** is the **Sum Insured** stated in the **Schedule** for each item.

2 Automatic Reinstatement of **Sum Insured**

Unless there is written notice by **Us** to the contrary in the event of **Damage** under this **Section We** shall automatically

reinstate the **Sum Insured** provided that **You** undertake to pay the appropriate additional premium.

3 First Financial Year

In the event of **Damage** occurring before expiration of the first financial year of the **Business** the results of the **Business**

to date of the **Damage** shall be used as a basis upon which to assess what the Rental Income for the first financial year would have been had the **Damage** not occurred.

4 Payment on Account

In the event of **Damage We** will if requested by **You** make monthly payments on account during the **Indemnity Period**.

5 Unoccupied Buildings

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

Quality • Service • Innovation

SJL Insurance Services is authorised and regulated by the Financial Conduct Authority

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