

Commercial Property

Property Owners Flats Policy



FUSION INSURANCE
deliberately different

Commercial Property Property Owners Flats Policy

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Your Policy

This Policy is issued in accordance with the authorisation granted under contract to Fusion Insurance Services Ltd, acting on behalf of a consortium of leading UK insurers.

The Company in consideration of the payment of the premium shall provide insurance against loss destruction damage or liability occurring at any time during the Period of Insurance (or any subsequent period for which the Company accepts a renewal premium) in accordance with the Sections of the Policy shown as operative in the Schedule subject to the exclusions, provisions and conditions of the Policy.

The Policy and the Schedule should be read together as one contract and the Proposal Form or Statement of Fact made by the Insured is the basis of the contract.

Important

We recommend You read this Policy together with Your schedule to ensure that it meets with Your requirements.

Should You have any queries please contact Us or Your Insurance Broker or Adviser.

Your attention is drawn to the Complaints procedure (Complaints and Compensation) on Page 36.

The law applicable to this Policy

Under the laws of the United Kingdom (England, Scotland Wales and Northern Ireland) both the Insured and the Company may choose the law which applies to this contract to the extent permitted by those laws. Unless the Insured and the Company agree otherwise in writing the Company has agreed with the Insured that the law which applies to this contract is the law which applies to the part of the United Kingdom in which the Insured is based or if the Insured is based in the Channel Islands or the Isle of Man the law of whichever of those two places in which the Insured is based.

The Company and the Insured have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the United Kingdom in which the Insured is based or if the Insured is based in either the Channel Islands or the Isle of Man, the courts of whichever of those two places in which the Insured is based.

Fair Processing Notice

How we use your Information

Please read the following carefully as it contains important information relating to the details that you have given us. You should show this notice to any other party related to this insurance.

Who we are

This Policy is underwritten by the consortium of Insurers whose identity is stated in the General Endorsement entitled Identity of Insurers and you are giving your information to them. In this information statement, we us and our refers to that consortium.

How your information will be used and who we share it with

Your information comprises of all the details we hold about you and your transactions and includes information obtained from third parties. If you contact us electronically, we may collect your information identifier, e.g. Internet Protocol (IP) Address or telephone number supplied by your Service Provider.

We may use your information to help us:

- Assess financial and insurance risks;
- Recover debt;
- Prevent and detect crime;
- Develop our services, systems and relationships with you;
- Understand our customers' requirements;
- Develop and test products and services

We do not disclose your information to anyone outside the Company except:

- Where we have your permission; or
 - Where we are required or permitted to do so by law;
- or
- To credit reference and fraud prevention agencies and other companies that

Provide a service to us, our partners or you; or

Where we may transfer rights and obligations under this agreement.

We may transfer your information to other countries on the basis that anyone we pass it to, provides an adequate level of protection. In such cases, we will ensure it is kept securely and used only for the purpose for which you provided it. Details of the companies and countries involved can be provided on request.

From time to time we may change the way we use your information. Where we believe you may not reasonably

expect such as change we shall write to you. If you do not object, you will consent to that change. We will not keep your information for longer than is necessary.

Sensitive Information

Some of the information we ask you for may be sensitive personal data, as defined by the Data Protection Act 1998 (such as information about health or criminal convictions). We will not use such sensitive personal data about you or others except for the specific purpose for which you provide it and to carry out the services described in your policy documents. Please ensure that you only provide us with sensitive information about other people with their agreement.

How to contact us

On payment of a small fee, you are entitled to receive a copy of the information we hold about you. If you have any questions, or you would like to find out more about this notice you can write to: Data Protection Liaison Officer, Towergate House, Fcline Park, Sittingbourne

A handwritten signature in black ink that reads "S. Gardiner". The signature is written in a cursive style with a large, looped initial 'S'.

Stewart Gardiner
Executive Director – Underwriting
Fusion Insurance Services Limited for and on behalf of
Insurers.

Policy Definitions

Wherever the following words and phrases appear in the Policy they will always have these meanings

Block of Flats

The building(s) of the Block(s) of Flats shown in the schedule including domestic outbuildings greenhouses landlords fixtures and fittings telephone gas water and electric instruments and piping in or on the building(s) communal television and radio receiving aerials satellite dishes and related fittings telecommunication aerials aerial fittings and masts interior decorations swimming pools tennis courts squash courts gymnasias used by tenants for domestic and leisure purposes cess pits and septic tanks fuel tanks and their ancillary equipment pipework and the like walls gates fences hedges paved terraces patios forecourts paths and drives all on the same premises and in addition any private garages owned and used in connection with the Block of Flats

Unless shown differently in the Schedule the Flats are of Standard Construction

Business

Owners or the organisation or the management of the Block of Flats or the Private Dwelling House insured by the Policy

Contents of Communal Parts

Furniture and all other property belonging to the Insured or for which the Insured is responsible in or on the stairs halls and other communal parts of the Block of Flats but not the contents of individual Flats themselves including

- a) the contents of fuel tanks
- b) portable communal property in the open grounds and used in connection with the Block of Flats
- c) deeds documents manuscripts and business books but only for the cost of the materials and clerical labour expended in reproducing such records
- d) computer systems records but only for the cost of the materials and of clerical labour and computer time expended in reproducing such records for an amount not exceeding £25,000 in total
and in so far as they are not otherwise insured
- e) partners directors employees and visitors personal effects of every description (other than motor vehicles) whilst at the Block of Flats for an amount not exceeding £500 any one person

Damage

Loss destruction or damage

Private Dwelling House

A building shown on the schedule occupied solely as a private residential dwelling including domestic outbuildings greenhouses landlords fixtures and fittings telephone gas water and electric instruments and piping in or on the building(s) communal television and radio receiving aerials satellite dishes and related fittings interior decorations swimming pools and tennis courts squash courts cess pits and septic tanks fuel tanks and their ancillary equipment pipework and the like walls gates fences hedges paved terraces patios forecourts paths and drives all on the same premises and in addition any private garage(s) owned and used in connection therewith

Unless shown differently in the Schedule the Private Dwelling House is of Standard Construction

Employee

- a) Any person under a contract of service or apprenticeship with the Insured
- b) Any person who is hired to or borrowed by the Insured
- c) Any person engaged in connection with a work experience or training scheme
- d) Any labour master or person supplied by him
- e) Labour only sub-contractors and persons engaged by them
- f) Any self-employed person working on a labour only basis under the control or supervision of the Insured
- g) Any voluntary helper

while working for the Insured in connection with the Business

Flat

A self contained unit of residential accommodation forming part of the Block of Flats

Injury

Bodily injury death disease illness or nervous shock

Insured/You/Your

The person(s) company or organisation named in the Schedule as the Policyholder

Money

Cash bank or currency notes cheques personal bank cash guarantee and credit cards postal orders postage stamps which are not part of a collection trading stamps Premium Bonds National Savings stamps or certificates luncheon vouchers record book or similar tokens

Offshore

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

Policy

The Policy and Schedule and any endorsements attached or issued

Premises

The premises stated as being insured in the Appendix to Sections A and B.

Proposal

The Proposal Form or Statement of Fact completed by the Insured and any other information given to the Company on behalf of the Insured

This is the basis of the contract between the Insured and the Company

Resident

The owner lessee or tenant of any Flat or Private Dwelling House and any member of his/her family permanently residing with him/her

Standard Construction

Mainly brick stone or concrete built and mainly roofed with slates tiles metal asbestos asphalt or concrete

Non Standard Construction

Constructed of materials other than those detailed in the definition Standard Construction

Sum Insured

The amount of cover which represents:

The full cost of rebuilding the Block of Flats or Private

Dwelling House in the same form style and condition as new plus a reasonable amount for architects surveyors and legal fees debris removal costs and other costs to comply with government or local authority requirements

It should be noted that the rebuilding cost in areas of high property values may be different from the market value

The full cost of replacement as new of the Contents of Communal Parts

Territorial Limits

Great Britain Northern Ireland the Channel Islands or the Isle of Man other than Offshore

Company, We, Us, Our

The Insurers whose identity is stated in the General Endorsement entitled Identity of Insurers attaching to the Schedule and whose proportionate liability will be detailed upon request

Sections A & B – Property Damage and Loss of Rent

Buildings

1 What is Insured?

The Block of Flats or Private Dwelling House is insured against Damage by the following perils. If more than one Block of Flats or Private Dwelling House is insured by the Policy any exclusion or limitation applies separately to each Block of Flats or Private Dwelling House.

2 Perils Insured

a) Fire smoke explosion lightning or earthquake

b) Riot civil commotion labour and political disturbances and strikes

c) Malicious damage and vandalism but not:

- Damage by any Resident to the Flat or Private Dwelling House in which he/she resides
- Damage by the Insured any member of the family of the Insured or any Employee

d) Impact by

- i) aircraft or other aerial devices or anything dropped from them
- ii) vehicles
- iii) trains
- iv) animals but not:
 - Damage by domestic pets
- v) falling trees or branches
- vi) falling aerials or masts
- vii) falling television satellite dishes

e) Storm or flood but not:

- Damage by frost
- Damage to outdoor swimming pools tennis courts paved terraces patios paths and drives

f) Subsidence or heave of any part of the site on which the Block of Flats or Private Dwelling House stands or landslip but not:

- Damage to outdoor swimming pools tennis courts paved terraces walls gates fences

patios paths and drives forecourts unless the main building of the Block of Flats or Private Dwelling House is damaged at the same time by the same cause

- Damage caused within ten years of construction by

- i) the normal settlement or bedding down of new structures
- ii) the settlement of made up ground or of materials brought to the site

- Damage caused by

- i) coastal or river erosion
- ii) defective design or workmanship or the use of defective materials

- Damage to solid floor slabs or Damage resulting from their movement unless the foundations beneath the outside walls of the main building of the Block of Flats or Private Dwelling House are damaged at the same time by the same cause

- Damage resulting from

- i) demolition construction structural alteration or repair of any property

or

- ii) groundworks or excavation

at the Block of Flats or Private Dwelling House

g) Bursting or leaking of water apparatus and the escape of water from or the freezing of any fixed domestic water or heating installation but not:

- Damage caused by wet or dry rot rust corrosion or other wear tear and deterioration

h) Damage to any fixed domestic water or heating installation caused by its own forcible and violent bursting but not:

- Damage caused by rust corrosion or other wear tear and deterioration

i) Theft or attempted theft but not:

- Damage by the Insured any member of the family of the Insured or any Employee

j) Escape of oil from any fixed domestic oil heating installation

k) Any other accidental loss or damage but not:

- wear tear deterioration atmospheric or climatic conditions settlement shrinkage drying out wet or dry rot vermin woodboring insects fungus or any gradually operating cause
- everything excluded under Perils Insured a)-j) and paragraph 3
- cost of maintenance or routine decoration
- faulty workmanship or design or the use of faulty materials
- Damage to the buildings or any part of them arising from construction structural alteration or repair or demolition
- sudden and unforeseen Damage to property which is insurable under an engineering insurance policy

3 Extensions

The Policy will pay for

a) Additional Expenses

the necessary expenses incurred by the Insured for rebuilding or repairing the Block of Flats or Private Dwelling House as a result of Damage insured by this Policy namely

- i) architects surveyors and legal fees
- ii) the costs of clearing debris from the site or demolishing or shoring up the Block of Flats or Private Dwelling House
- iii) other costs to comply with government or local authority requirements

b) Pipes Cables and Drains

the cost of repairing accidental damage to cables underground pipes and drains (and their inspection covers) serving the Block of Flats or Private Dwelling House but not:

- Damage which the Insured is not legally responsible to repair
- Damage caused by rust corrosion or other wear and tear

c) Trace and Access

the reasonable costs necessarily incurred by the Insured in locating the source and subsequent making good of Damage under paragraph 2g) and paragraph 3b) but not:

- any amount in excess of £15,000 in respect of any one Block of Flats or Private Dwelling House

- any amount in excess of £50,000 in any one Period of Insurance

d) Glass

Breakage of Glass and Sanitary Fixtures accidental breakage in the Block of Flats or Private Dwelling House of solar glass heating panels fixed glass and sanitary fixtures but not:

- Damage which is not accidental and unforeseen

e) Loss of Rent and Alternative Accommodation Expenses

- i) rent (including ground rent and management charges) which the Insured should pay or should have received but have lost
- ii) the costs of reasonable alternative accommodation and temporary storage of Residents furniture and furniture belonging to the Insured
- iii) the cost of reasonable accommodation in kennels or catteries for dogs and cats belonging to Residents and dogs and cats belonging to the Insured

while

- iv) The Flat or Private Dwelling House is unfit to live in or
- v) access to the Flat or Private Dwelling House is denied

as a result of Damage insured by this Policy but not:

- any amount in excess of 20% of the Sum Insured

but in respect of each individual Flat or Private Dwelling House the payment made may be adjusted according to the percentage contribution made by each Flat or Private Dwelling House towards the total management charges or ground rent of the Block of Flats or housing development

f) Damage to Landscaped Gardens

Damage done to landscaped gardens and grounds including trees at the Block of Flats or Private Dwelling House due to Damage insured by this Policy but not:

- any amount in excess of £50,000 any one claim
- costs arising due to the failure of trees shrubs and plants turf and the like to germinate or become established

g) Theft of Keys

the reasonable costs necessarily incurred in replacing external door locks at the Block of Flats or Private Dwelling House including external door locks for individual Flats following loss of keys by

- i) theft from the Block of Flats, individual Flats Private Dwelling House or Registered Office or from the home of

or

- ii) theft following hold-up whilst such keys are in the personal custody of

The Insured or any Employee authorised to hold such keys

but not:

- any amount in excess of £7,500 in respect of any one claim

h) Loss of Metered Supply

Additional metered water gas electricity or other metered supply charges incurred by the Insured as a result of Damage except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the Damage subject to a limit of £25,000

i) Closed Circuit Televisions

If during the period of insurance unauthorised persons take possession of keep possession of or occupy the Block of Flats the Flat or the Private Dwelling House belonging to the Insured

- any amount in excess of £5,000 In respect of any one claim

j) Removal of Nests

The cost of removing wasps or bees nests from the Block of Flats or Private Dwelling House

but not:

- any amount in excess of £500 in respect of any one claim

k) Tree Felling or Lopping

the cost of felling or lopping trees at the Block of Flats or Private Dwelling House which are an immediate threat to the safety of life or property as a result of Damage by paragraphs a)-j) of the Perils Insured but not

- any amount in excess of £5,000 in respect of any one claim

This extension shall not apply to:

- a) Legal or Local Authority costs involved in removing trees
- b) costs incurred solely to comply with a preservation order

l) Unauthorised Occupation

If during the period of insurance unauthorised persons take possession of keep possession of or occupy the Block of Flats the Flat or the Private Dwelling House belonging to the Insured

We will pay

- i) the costs incurred by the Insured in terminating such unauthorised use but not any amount
 - in excess of £5,000 in respect of any one Flat or Private Dwelling House
 - in excess of £25,000 in the aggregate in any one Period of Insurance
- ii) the cost of metered electricity gas or water for which the Insured is legally responsible arising from such unauthorised use

m) Contract Works

Contract Works to the extent to which the Insured has contracted to arrange cover subject to a limit of £250,000 any one claim at any Block of Flats or Private Dwelling House This insurance shall only apply in so far as the Contract Works are not otherwise insured

n) Further Investigation Expenses

Where the building of a Block of Flats or Private Dwelling House has suffered Damage and in the opinion of a competent construction professional there is a reasonable possibility of other Damage to portions of the same building which is not immediately apparent the Company will pay the reasonable costs incurred by the Insured with the Company's prior consent in establishing whether or not such Damage has occurred

The Company will also pay the reasonable costs incurred by the Insured in establishing whether or not other buildings in the vicinity have suffered Damage in the same incident but only if such buildings are subsequently found to have suffered such Damage for which the Company is liable

o) Clearing of Drains

Expenses necessarily and reasonably incurred

in cleaning clearing or repairing drains gutters sewers and the like at the Block of Flats or Private Dwelling House for which the Insured are responsible in consequence of Damage by any of the Perils Insured

p) Extinguishment and Alarm Resetting Expenses

The reasonable costs incurred by the Insured in refilling fire extinguishing appliances and resetting fire or intruder alarms as a result of Damage to the Block of Flats or Private Dwelling House

q) Fly Tipping

The cost (insofar as it is not otherwise insured) of removing materials deposited at the Block of Flats or Private Dwelling House as a result of fly tipping for an amount not exceeding £5,000 any one claim

r) Privity of Contract

Subject to its terms and conditions an amount the Insured become legally liable to pay following Damage and pay to tenants in respect of repair or reinstatement of premises previously owned but which are no longer the property of the Insured and where the current owner has failed to maintain adequate insurance cover

provided that

- a) The Insured take all reasonable and appropriate steps to obtain release from their liabilities under covenants to insure such property on its disposal
- b) the maximum the Company will pay under this Extension is £2,000,000 in any one Period of Insurance
- c) the Companys liability under this Extension shall not include contribution in respect of any more particular insurance effected by any succeeding owner or tenant or sub-tenant
- d) the Companys liability under this Extension shall not include any occurrence happening seven years before the start date of the current Period of Insurance

4 Claims Settlement

a) If the Block of Flats or Private Dwelling House is damaged by any Peril Insured the Company will either

- i) pay for the rebuilding or repair or
 - ii) make a monetary payment instead
- provided that

iii) the Sum Insured when the Block of Flats or Private Dwelling House is damaged is

sufficient to rebuild it

iv) the property has been maintained in a good state of repair

b) The maximum amount payable in any period of insurance in respect of Damage to the Block of Flats or Private Dwelling House by a-j) of the Perils Insured plus Additional Expenses shall not exceed the Sum Insured shown in the schedule as adjusted in accordance with the Inflation Protection and Extensions and Alterations clauses and any amount excluded under the Perils Insured

c) Seventy Two Hours Clause

Damage occurring within 72 consecutive hours of and arising from the Peril Insured e) is deemed to be one claim the Insured has the right to select the moment from which the 72 hour period shall be deemed to have commenced within the terms of this Section provided that such Damage occurred prior to the expiry of the Period of Insurance

d) Day One Average

A Subject to the following Special Conditions the basis upon which the amount payable in respect of the Block of Flats or Private Dwelling House under sums insured in the Schedule is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose 'reinstatement' means

- a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Company is not increased may be carried out
 - i) in any manner suitable to the requirements of the Insured
 - 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

B The Insured having stated in writing the Declared Value shown in brackets below the Sum Insured for each of the said items the premium has been calculated accordingly

'Declared Value' means the Insureds assessment of the cost of reinstatement of the Block of Flats or Private Dwelling House arrived at in accordance with paragraph A(a) at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate

subsequently) together with insofar as the insurance by the item provides due allowance for

- a) the additional cost of reinstatement to comply with public authority requirements
- b) professional fees
- c) debris removal costs
- d) fitted carpets and other furnishings

Special Conditions

- 1 At the inception of each Period of Insurance the Insured shall notify the Company of the Declared Value of the Block of Flats or Private Dwelling House by each of the said item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance
- 2 If at the time of Damage the Declared Value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph B above) at the inception of the Period of Insurance then the Companys liability for any Damage shall not exceed that proportion thereof which the Declared Value bears to such cost of reinstatement
- 3 The liability of the Company 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
- 4 No payment beyond the amount which would have been payable in the absence of this clause 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 Block of Flats or Private Dwelling House at the time of its loss destruction or damage shall be insured by any other insurance effected by the Insured or on behalf of the Insured which is not upon the same basis of reinstatement
- 5 All the terms and conditions of this Policy shall apply in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby
- 6 Where by reason of
 - a) any of the above Special Conditions

no payment is to be made beyond the amount which would have been payable under this Section if this clause had not been incorporated therein

or

- b) The Insured elect not to rebuild the Block of Flats or Private Dwelling House in a condition equal to but not better or more extensive than its condition when new then the provisions of this clause are cancelled and the rights and liabilities of the Company and the Insured in respect of the Damage shall be subject to the terms and conditions of the Policy including the following Condition of Average -

The insurance by each item of this Section is declared to be subject to Average i.e. if the property covered shall at the breaking out of any Damage insured hereby be collectively of greater value than 135% of the Declared Value stated in the Schedule the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly

e) Reinstatement to Match

Where the Block of Flats or Private Dwelling House has suffered Damage the Insured may replace repair or restore the property with equivalent property which employs current technology and replacement repair or restoration with such property for the purposes of this Section shall not be regarded as being better or more extensive than when new

This Section further extends to include the replacement or modification of undamaged property insofar as it is necessary to adapt it to operate in conjunction with that property which has been replaced repaired or restored provided that the total liability of the Company is not increased beyond the amount that would otherwise have been payable for the replacement repair or restoration of the property destroyed or damaged in its original form

5 Maintenance

The Insured must keep the Block of Flats or Private dwelling House in a good state of repair

6 Empty Blocks of Flats/Unoccupied Flats/Unoccupied Private Dwelling Houses

- The Company must be notified as soon as reasonably practicable in writing whenever a Block of Flats or Private Dwelling House becomes empty for a period in excess of 30 days
- The Company will not pay for any claim arising under paragraphs c) (Malicious Damage)

g) (Escape of Water) h) (Damage to Water Installations) i) (Theft) of the Perils Insured and paragraph d) (Glass) of the Extensions if any Flat or Private Dwelling House is left without an occupant for more than 30 consecutive days unless:

i) Either

- a) the gas electricity oil and water supplies are turned off and during the months of October to March (inclusive) the water system (including the central heating system) is drained
- or
- b) during the months of April to September (inclusive) the gas electricity oil and water supplies are turned off and during the months of October to March (inclusive) the central heating system is put into effective operation for at least a minimum of 4 hours in every 24 hours with those services not necessary for its operation turned off/drained

ii) Each Flat or Private Dwelling House is visited and inspected internally and externally at least once during each week by or on behalf of the Insured

7 Special Clauses

a) Extensions and Alterations

If during the Period of Insurance the value of the Block of Flats the Flat or the Private Dwelling House belonging to the Insured is increased because the Insured has built an extension or have carried out other alterations the Company will automatically cover the value of these extensions and alterations provided they do not exceed £500,000

No extra premium will be charged during the period of insurance but the Insured must advise their Insurance Adviser of the value of the extensions or alterations prior to the renewal date of the Policy

b) Reinstatement of Sum Insured

In the event of Damage the Company will reinstate the Sum Insured from the date of any Damage unless the Company give written notice to the contrary. The Insured may be required to pay some extra premium'

c) Sale of Property Insured

If at the time of Damage to any building insured under this Section the Insured shall have contracted to sell the interest of the Insured in such building 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

by or on behalf of the purchaser against such Damage shall be entitled to the benefits of this Section of the Policy so far as it relates to such Damage without prejudice to the rights and liabilities of the Insured or the Company under this Section up to the date of completion'

d) Mortgage or Other Interests

The interest of the Leaseholder(s) Mortgagee(s) and Tenant(s) in the individual portions of the Block of Flats and Private Dwelling House to which their interest applies is noted such interest to be advised to the Company in the event of a claim In addition the interest of the Insured or Mortgagee(s) in this insurance shall not be prejudiced by any act or neglect of the occupier(s) or Mortgagor(s) of any building hereby insured whereby the risk of Damage is increased without the authority or knowledge of the Insured or Mortgagor(s) provided that the Insured or Mortgagor(s) shall as soon as reasonably practicable after becoming aware thereof give notice in writing to the Company and on demand pay such reasonable additional premium as the Company may require'

e) Inflation Protection

The Company will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured

In the event of a claim We will continue to adjust the Sum Insured during the period required to rebuild up to a maximum of three years provided that

- i) the Sum Insured at the date of loss is sufficient to rebuild the Block of Flats or Private Dwelling House
- ii) the rebuilding or repair is carried out without delay

f) Contractors Interest

Where the Insured are required to effect insurance on the Block of Flats or Private Dwelling House in the joint names of the Insured and the contractor under the terms of a contract condition then the interest of the contractor in the Block of Flats or Private Dwelling House as joint insured is noted provided that the Insured shall advise the Company of details of any single contract valued at £250,000 or more in advance of the commencement of the work and pay any additional premium the Company may require

g) Capital Additions

The Insurance by this Section extends to include subject to its terms and conditions 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 but not in respect of any appreciation in value anywhere in the United Kingdom the Channel Islands or Isle of Man provided that

- i) at any one situation this cover shall not exceed £2,000,000
- ii) The Insured undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the Companys liability
- iii) the provisions of this extension shall be fully maintained notwithstanding any specific Insurance effected under (ii) above

h) Inadvertent Failure to Insure

Subject to its terms and conditions

- 1 any newly acquired or newly erected buildings or buildings in the course of erection (excluding any property for which a building contractor is responsible)
- 2 alterations additions and improvements to an insured building but not in respect of any appreciation in value which the insured has an obligation to insure whether owned or leased by the Insured but which have inadvertently been left uninsured

The maximum the Company will pay in respect of any one situation under this Extension is

- a) £2,000,000 in respect of any newly acquired or newly erected buildings or buildings in the course of erection
- b) £500,000 in respect of alterations additions and improvements to an insured building situate anywhere in the United Kingdom.

The Insured must advise the Company in writing as soon as reasonably practicable after becoming aware of a building inadvertently left uninsured and pay the appropriate premium due from the date when the Companys liability commenced

The Insured must carry out at not less than twelve month intervals a check of all properties owned or leased by the Insured and for which the Insured is are responsible to ensure that effective insurance is in force for each of them

i) Workmen

Repairs and minor structural alterations may be carried out at the Block of Flats or Private Dwelling House without prejudice to the insurance hereby

Contents of Communal Parts

1 What is Insured?

The Contents of Communal Parts are insured against Damage by the Perils Insured but not:

- articles of gold silver or other precious metals jewellery or furs clothing and personal effects
- Money (other than Money covered in Extension 3(b)) bills of exchange and promissory notes securities or documents of any kind
- any one curio picture or other work of art valued in excess of £1,000
- property which is insured by another policy
- pets and livestock
- motor vehicles caravans boats trailers or accessories in them or attached to them
- property in individual Flats or Private Dwelling Houses

2 Perils Insured

a) Fire smoke explosion lightning and earthquake

b) Riot civil commotion labour and political disturbances and strikes

c) Malicious damage and vandalism but not:

- Damage by the Insured a member of the Insureds family a Resident or any Employee

d) Impact by

- i) aircraft or other aerial devices or anything dropped from them
- ii) vehicles
- iii) trains
- iv) animals but not:
 - Damage by domestic pets
- iii) falling trees or branches
- iv) falling aerials or masts
- v) falling television satellite dishes

e) Storm or flood

f) Subsidence or heave of the site on which the Block of Flats or Private Dwelling House stands or landslip

g) Bursting or leaking of water apparatus and the escape of water from or the freezing of any fixed domestic water or heating installations

but not

- Damage caused by wet or dry rot rust corrosion or other wear tear and depreciation

h) Theft or attempted theft but not:

- loss by deception unless entry is gained by deception
- Damage by the Insured a member of the Insureds family a Resident or any Employee
- Damage to any portion of the Block of Flats or Private Dwelling House used for business or trade purposes other than the Insureds Business

i) Escape of oil from any fixed domestic heating installation

j) Any other accidental damage but not:

- everything excluded under a)-i) of the Perils Insured and Paragraph 1
- Damage caused by wear tear or gradual deterioration cleaning dyeing restoring light or atmosphere parasites or vermin mechanical or electrical breakdown or derangement adjustment or repair to any machine or misuse
- sudden and unforeseen Damage to property which is insurable under an engineering insurance policy

3 Extensions

The Policy will pay for

a) Accidental Breakage in the Communal Parts of

- fixed glass in furniture but not:
 - glass in pictures and clocks
- fixed glass in mirrors
- glass tops to furniture and glass in shelves

b) Money

Loss from any cause of Money held by the Insured in connection with the Business

- whilst in any locked safe or locked drawer in any Flat in the Block of Flats or Private Dwelling House within a housing development
- whilst in transit within the Territorial Limits up to a maximum amount of £1,000

but not loss

- arising from fraud or dishonesty unless such loss is discovered within 14 clear days of the occurrence

- from unattended vehicles
- due to accounting or clerical errors

c) Landlords Gardening Equipment

Damage by the Perils Insured to landlords gardening equipment whilst in any locked outbuilding at the Block of Flats or housing development

but not:

- any amount in excess of £10,000

4 Claims Settlement

If the Contents of the Communal Parts are damaged by any Peril Insured the Company will pay the full cost of replacing the articles stolen or destroyed as new provided that the Sum Insured when the Contents of Communal Parts are damaged is sufficient to replace them as new.

5 Inflation Protection

The Company will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured'

Section C1

Employers Liability

1 Indemnity

The Company will indemnify the Insured against all sums that the Insured shall become legally liable to pay as damages together with costs and expenses shown below in respect of injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of and in the course of his or her employment by the Insured in the Business but not

- so far as concerns
 - i) liability of any principal
 - ii) liability assumed by the Insured under agreement and which would not have attached in the absence of agreement
- liability directly or indirectly arising from
 - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

2 Limit of Liability

The liability of the Company under this Section for damages costs and expenses payable in respect of any one claim against the Insured or series of claims against the Insured arising out of one event shall not exceed the amount stated in the Schedule.

Costs and expenses shall be deemed to mean

- 1) costs and expenses of claimants for which the Insured is legally liable
- 2) other costs and expenses incurred with the Companys written consent in respect of any claim which may be the subject of indemnity under this Section C2 solicitors fees incurred with the Companys written consent for
 - (a) defence in any Court of Summary Jurisdiction of any proceedings brought against the Insured in respect of breach or alleged breach of any statutory duty resulting in Injury
 - (b) representation at a Coroners Court or Fatal Accident Inquiry in respect of a death which may be subject to indemnity under this Section
- 3) legal costs and expenses incurred by the Insured and at the request of the Insured any director or

Employee with the Companys written consent and costs awarded against the Insured or director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety Legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man

provided that

- (a) the proceedings relate to the health safety or welfare of Employees
- (b) the Company will not indemnify the Insured in respect of
 - i) fines or penalties
 - ii) costs and expenses insured by any other policy

3 Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section the Company will indemnify in the terms of this Section the deceaseds legal personal representatives but only in respect of liability incurred by such deceased person
- b) At the request of the Insured the Company will indemnify in the terms of this Section
 - a) i) any principal in respect of liability arising out of the performance by the Insured of any agreement entered into by the Insured with the principal to the extent required by such agreement
 - ii) any director of the Insured or Employee in respect of liability in connection with the Business
 - iii) the owner or lessee of any Flat or Private Dwelling House which is the subject of Section 1 of this Policy
- b) any director or senior official of the Insured in respect of private work undertaken by any Employee for such director or senior official

Provided that

- i) the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured
- ii) each person shall as though he or she was the Insured observe fulfil and be subject to the terms of this Section insofar as they can apply
- iii) the Company shall retain the sole conduct and control of all claims

4 Recovery of Payments

The cover provided under this Policy Section is in accordance with the provisions of any law relating to the compulsory insurance of liability to Employees within the Territorial Limits but the Insured shall repay to the Company all sums paid by the Company which the Company would not have been liable to pay but for the provisions of such law

5 Vehicle Exclusion

This Section does not provide an indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicle (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicle (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other compulsory Road Traffic Act legislation

6 Manslaughter Costs Extension

The indemnity provided by this Section extends to include

- a) legal costs and expenses incurred by the Insured or any person entitled to indemnity with the prior written consent of the Company in
 - i) the course of an investigation leading to the offence of
 - ii) defending the Insured against criminal proceedings in connection with a charge of
 - iii) an appeal against any conviction resulting from a prosecution for
manslaughter corporate manslaughter
corporate homicide or culpable homicide as a result of any death happening during the Period of Insurance which may be the subject of indemnity under the Policy
- b) prosecution costs awarded against the Insured or any person entitled to indemnity as a result of any conviction for such an offence
Provided always that
 - 1) The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance
 - 2) The Company shall not be liable to make any payment under this Extension in respect of
 - (a) the fees of any solicitor or counsel appointed by or on behalf of any person entitled to indemnity unless consent to the appointment has been agreed by the Company
 - (b) fines or penalties or the cost of implementing any remedial order or publicity order
 - (c) an appeal unless advice has been obtained from a Queen's Counsel that such appeal

has strong prospect of success

- (d) an appeal against any fine penalty remedial order or publicity order
- (e) costs incurred as a result of the failure to comply with any remedial order or publicity order
- (f) costs and expenses insured by any other policy
- (g) any investigation or prosecution brought other than under the laws of Great Britain Northern Ireland the Channel Islands or the Isle of Man

7 Employers' Liability Tracing Office

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office, (the ELTO) and added to an electronic database, (the Database).

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance:

Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers, (the Claimants):

To identify which insurer (or insurers) was (or were) providing employers'

liability cover during the relevant periods of employment; and to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance policy you will be deemed to specifically consent to the use of your insurance policy data in this way and for these purposes.

Section C2

Public Liability

1 Indemnity

The Company will indemnify the Insured against all sums the Insured shall become legally liable to pay as damages and claimants costs and expenses arising out of

- a) accidental Injury to any person
- b) accidental loss of or damage to material property

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

2 Limit of Liability

The most the Company will pay for claims for one accident or series of accidents from one cause is the Limit of Indemnity shown in the schedule plus other costs incurred with the written consent of the Company, but not:

- Injury to any Employee
- Damage to property which is owned leased let rented hired or lent or which is the subject of a bailment to the Insured
- Injury loss or Damage caused by or in connection with or arising out of the ownership possession or use by the Insured or on behalf of the Insured of
 - i) any vessel or craft (other than hand-propelled boats or pontoons) devised or intended to float on or in or to travel on or through water or air
 - ii) any mechanically-propelled vehicle or trailer attached thereto except use within the grounds of the Block of Flats or Private Dwelling House of any such vehicle not licensed for road use and not constructed for the conveyance of passengers

provided that no other policy covers the liability This exception shall not apply to liability for accidents arising beyond the limits of the carriageway or thoroughfare in connection with the bringing of the load to any vehicle for loading thereon or the taking away of the load from any vehicle after unloading therefrom by any person other than the driver or attendant of the vehicle

- liability arising from any agreement unless liability would have attached in the absence of such agreement

In addition the Company will pay

- a) all other costs and expenses incurred with the written consent of the Company

- b) the legal costs and expenses incurred with the written consent of the Company for the defence of prosecutions brought under Sections 36 or 37 of the Health and Safety at Work etc Act 1974 or any alleged offence as detailed in Section 33(1) (a) (b) or (c) of the Act or under Health and Safety at Work (Northern Ireland) Order 1978 under Article 31 including legal costs and expenses incurred with the consent of the Company in an appeal against conviction arising from such proceedings provided that the proceedings relate to the health safety and welfare of persons other than Employees but not:
 - fines or penalties
 - legal costs or expenses insured by any other policy

3 Additional Persons Insured

The Insured shall extend to include

- a) in the event of the death of any person entitled to indemnity under this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person against the Insured
- b) the owner or lessee of any Flat or Private Dwelling House in respect of liability for which the Insured would have been entitled to indemnity if the claim had been made against the Insured
- c) at the request of the Insured any director of the Insured or Employee in respect of liability arising in connection with the ownership of the Flat or Private Dwelling House described in the Schedule

Provided always that

- i) each such additional person insured shall as though they were the Insured observe fulfil and be subject to the terms of this Policy insofar as they can apply
- ii) the Company shall retain the sole conduct and control of the claim
- iii) the maximum amount which the Company will pay for claims for any one accident or series of accidents from one cause is the Limit of Indemnity shown in the Schedule plus other costs incurred with the Company's written consent but not
 - liability of any Resident incurred solely as occupier of his or her Flat or Private Dwelling House
 - liability of the Insureds directors or Employees for which the Insured would not have been covered if the legal action had been brought against the Insured

4 Defective Premises Act

Subject otherwise to the terms of the Policy this Section extends to indemnify the Insured against liability for

injury loss or damage arising solely by reason of Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of

- i) the parts of any Block of Flats or any Private Dwelling House formerly owned or leased by the Insured and occupied solely for residential purposes
- ii) any private dwelling formerly owned or leased by the owner or lessee of any Flat

provided that

- a) at the time of the incident giving rise to the liability the Insured has sold those parts of the Block of Flats or that Private Dwelling House but not:
 - Damage to the premises disposed of
- b) no other policy covers the liability

The cover under this extension continues for seven years from the date of disposal of the premises provided the Insured does not have this cover under another policy

5 Cross Liabilities

If more than one person is referred to in the Schedule each person shall be considered as a separate and distinct entity and cover shall be construed as applying to each person as though each had been insured separately

provided that

the maximum liability of the Company for one accident or series of accidents from one cause is the Limit of Indemnity shown in the Schedule plus other costs incurred with the written consent of the Company

6 Financial Loss

The indemnity provided by this Section is extended to indemnify the Insured against all such sums that the Insured shall become legally liable to pay as damages and costs and expenses of claimants in respect of accidental financial loss

but the indemnity will only apply to

- a) loss sustained by a tenant of the Insured if such loss is a direct result of the Insureds failure to provide any property or ancillary service
- b) a claim which is first made in writing against the Insured during the Period of Insurance

and

- c) which is notified to the Company during the same Period of Insurance or within 30 days after the expiry of such Period of Insurance

provided that

- a) the liability of the Company under this extension for all damages and claimants

costs and expenses arising out of all claims first made against the Insured during any one Period of Insurance shall not in the aggregate exceed the sum of £500,000

- b) The Insured will be responsible under this extension for the first 5% of all damages and claimants costs and expenses payable in respect of each and every claim made against the Insured subject to the Insured being responsible for a minimum amount of £1,000 in respect of each and every such claim

Exclusions

The indemnity provided by this extension will not apply to legal liability

- 1 in respect of
 - i) Injury to any person
 - ii) loss of or damage to Property
 - iii) nuisance trespass obstruction loss of amenities or interference with any right of way air light or water
 - iv) wrongful arrest detention imprisonment or eviction of any person or invasion of the right of privacy
- 2 arising under contract whether by virtue of express agreement or otherwise
- 3 for the actual cost or reduction in value of any property

7 Legionellosis Liability

Exclusions 5 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 indemnify the Insured only
 - 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 the 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 £1,000,000 and for all claims arising from Pollution or Contamination shall not exceed the Limit of Indemnity as stated in the Schedule
- c) 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 had become aware of circumstances which have given or may give rise to such Pollution or Contamination

8 Consumer Protection and Food Safety Acts – Legal Defence Costs

The Company will indemnify the Insured and if the Insured so request any partner director or Employee of the Insureds in the terms of this Section in respect of legal costs and expenses incurred with the written consent of the Company in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a) Part 2 of the Consumer Protection Act 1987
- or
- b) Section(s) 7 8 14 and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed during the Period of Insurance in connection with the Business

Provided that the Company shall have the conduct and control of all the said proceedings and appeals

The Company will not pay for

- a) fines or penalties of any kind
- b) proceedings or appeals in respect of any deliberate act or omission
- c) costs or expenses insured by any other policy

9 Overseas Personal Liability

The Company will indemnify the Insured and if the Insured so request any director or partner of the Insured any Employee or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business

The indemnity will not apply

- a) to legal liability arising out of the ownership or occupation of land or buildings
- b) in respect of which any person referred to above is entitled to indemnity under any other insurance

10 Data Protection Act

The Company will indemnify the Insured in respect of liability arising under the Data Protection Act 1998 to pay compensation for damage or distress

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) any liability which arises as a result of a deliberate act or omission by the Insured and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission

The Company shall not be liable in respect of

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

The total liability of the Company including all costs and expenses in this respect shall not exceed £250,000 during any one Period of Insurance

For the purposes of this Extension the phrases or words 'Data Processor' and 'Data' shall carry the same meaning as defined under the Data Protection Act 1998

11 Compensation for Court Attendance

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

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

12 Liability for Hired or Rented Premises

This Section is extended to indemnify the Insured against all such sums that the Insured shall become legally liable to pay as a result of accidental Damage to premises (including fixtures and fittings) within Great Britain Northern Ireland the Isle of Man or the Channel Islands which the Insured hire rent and occupy in connection with the Business

The Company shall not be liable in respect of

- a) the first £250 of any claim caused other than by fire or explosion
- b) liability imposed on the Insured solely by reason of the terms of the hiring or renting agreement

- c) legal liability as a result of Damage against which the hiring or renting agreement specifies that insurance is taken out by the Insured or on behalf of the Insured

13 Manslaughter Costs Extension

The indemnity provided by this Section extends to include

- a) legal costs and expenses incurred by the Insured or any person entitled to indemnity with the prior written consent of the Company in
 - i) the course of an investigation leading to the offence of
 - ii) defending the Insured against criminal proceedings in connection with a charge of
 - iii) an appeal against any conviction resulting from a prosecution for

manslaughter corporate manslaughter corporate homicide or culpable homicide as a result of any death happening during the Period of Insurance which may be the subject of indemnity under the Policy
- b) prosecution costs awarded against the Insured or any person entitled to indemnity as a result of any conviction for such an offence

Provided always that

- 1) The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance
- 2) The Company shall not be liable to make any payment under this Extension in respect of
 - (a) the fees of any solicitor or counsel appointed by or on behalf of any person entitled to indemnity unless consent to the appointment has been agreed by the Company
 - (b) fines or penalties or the cost of implementing any remedial order or publicity order
 - (c) an appeal unless advice has been obtained from a Queen's Counsel that such appeal has strong prospect of success
 - (d) an appeal against any fine penalty remedial order or publicity order
 - (e) costs incurred as a result of the failure to comply with any remedial order or publicity order
 - (f) costs and expenses insured by any other policy
 - (g) any investigation or prosecution brought other than under the laws of Great Britain Northern Ireland the Channel Islands or the Isle of Man

Section D – Terrorism

Only applicable if this Section is shown as operative in the Schedule

In consideration of the payment of the Premium in respect of the Period of Insurance the cover provided under Sections A and B of this policy is extended to include Damage occasioned by or happening through or in consequence of Terrorism as hereinafter defined for the purposes of this Section D

Terrorism is defined for the purposes of this Section D only as An act of any person(s) 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 any government de jure or de facto as certified by Her Majesty's Government or H M Treasury or any successor relevant authority

Provided always that the insurance provided by this Section D is subject to

A. The following exclusions

1) War and Allied Risks exclusion

Damage occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war is declared or not) civil war rebellion revolution insurrection or military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority

2) Electronic Risks Exclusion

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the Insured or not, where such Damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack

For the purposes of this exclusion the following definitions shall apply

Virus or Similar Mechanism

Virus or Similar Mechanism means program code programming instruction or any 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 The definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs

Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data
Section D

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non genuine traffic between and amongst networks

Excluded Property

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Damage in respect of:

- i) any property located outside England, Wales and Scotland
- ii) any nuclear installation or nuclear reactor any property which is specifically excluded elsewhere in this policy
- iii) any property which is insured by or would but for the existence of this policy be insured by any form of transit, aviation or marine policy

B. The following terms and conditions:

- 1) In any action or other proceedings where the Company alleges that any Damage is not covered by this Terrorism Section the burden of proving that such Damage is covered shall be upon the Insured
- 2) The Company's liability in respect of all losses arising out of any one occurrence and in the aggregate in any one period of insurance shall not exceed the limits as otherwise specified under this policy
- 3) The insurance provided by this Terrorism Section is subject otherwise to all the terms definitions conditions and provisions of this policy

Special Clauses

Only operative if shown as applicable in the schedule

1 Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with the Company) pending this Policy being issued

2 Long Term Undertaking

The discount shown in the Schedule is allowed off the net premiums on this Policy in consideration of the Insured having given an undertaking expiring on the date stated in the Schedule to offer annually the insurance under this Policy on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premium annually in advance it being understood that

- a) The Company shall be under no obligation to accept an offer made in accordance with the above-mentioned undertaking
- b) the Sum Insured may be reduced at any time to correspond with any reduction in value

The above-mentioned undertaking applies to any policy or policies which may be issued by the Company in substitution for this Policy and the same discount shall be allowed off the net premium on any substituted policy or policies issued by the Company

Payment of the premium due at the expiry date shown in the Schedule shall be deemed acceptance by the Insured the terms of this clause

3 Failure of Other Insurances

The insurance by Sections A & B extends to cover Damage to Buildings in which the Insured have an insurable interest but under the terms of the lease the responsibility for arranging adequate insurance cover rests with a third party lessee or third party lessor

Provided that

- a) a valid enforceable lease is in force
- b) the Insured could not have prevented such failure
- c) this Extension shall only apply
 - i) in the event of failure of the third party's insurance and then only for the excess beyond the amount payable under such insurance
 - ii) in respect of claims arising directly from a contingency specified in the lease but in no case greater in scope than the cover provided by this Policy
- d) at any one Premises this cover shall not exceed 20% of the total Sum Insured by the Section but in no case exceeding £2,000,000

Further it is a condition of the insurance by each Section that

- 1 The Insured have procedures in place to check that lessees or lessors have effected and maintain adequate insurance cover including any Terrorism cover
- 2 on discovery of a failure to insure or to insure for reinstatement value the insured shall as soon as reasonably practicable effect adequate insurance cover including against Terrorism where they have elected to take Terrorism cover
- 3 rights of recovery are not waived in respect of damage caused by Terrorism

Policy Exclusions

1 War and Nuclear Risks

Sections A B and C2 of this Policy do not cover

- a) Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any legal liability of whatsoever nature directly or indirectly caused by or arising from
 - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii) the radioactive toxic or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- b) any contingency occasioned by or happening through war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

2 Date Recognition

Sections A B and C2 of this Policy shall not apply to any claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000

- i) correctly to recognise any date as its true calendar date
- ii) to capture save or retain and/or correctly to manipulate interpret 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 capture save or retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this shall not exclude in respect of Sections A and B subsequent Damage not otherwise excluded which itself results from fire lightning explosion theft aircraft or other aerial devices or articles dropped therefrom riot civil commotion labour and political disturbances and strikes malicious damage earthquake storm flood escape of water from any tank apparatus or pipe or impact by any

road vehicle train or animal provided such contingency is insured by the Section

3 Pressure Waves

Sections A and B of this Policy do not cover Damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

4 Diminution of Value

Sections A and B of this Policy do not cover diminution of market value beyond the cost of repair or replacement

5 Pollution and Contamination

- a) Section C2 of this Policy excludes all liability in respect of Pollution or Contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance

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

- b) The liability of the Company under Section C2 of this Policy for all compensation payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the Limit of Indemnity stated in the Schedule
- c) For the purpose of this Exclusion Pollution or Contamination shall be deemed to mean
 - i) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphereand
 - ii) all loss or damage or injury directly or indirectly caused by such Pollution or Contamination

6 Pre existing Damage Liability or Injury

This Policy does not cover Damage liability or Injury occurring before the cover under this Policy started

7 Terrorism Exclusion (Applicable to Sections A and B)

This Policy does not cover loss damage cost or expense or whatsoever nature directly or indirectly caused by resulting from or in connection with:

1. Any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
2. Any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

3. Civil Commotion occurring in Northern Ireland

If the Company alleges that by reason of this exclusion any loss damage cost or expense is not covered by this Policy the burden of proving the contrary shall be upon the Insured. In the event that any portion of this exclusion is found to be invalid or unenforceable all other portions shall remain in full force and effect.

Definition – Terrorism

An act of any person(s) 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 any government de jure or de facto as certified by Her Majesty's Government or H M Treasury or any successor relevant authority

War and Terrorism Cover Amendment Clause (Applicable only to Section C2)

The insurance provided by Section C2 of this Policy is subject to the following Terrorism Limitations

The liability of the Company for all damages costs and expenses payable in respect of all occurrences of Terrorism during any one Period of Insurance shall not exceed in the aggregate the sum of £2,000,000

Provided that if the monetary amount of the Limit of Indemnity stated in the Schedule is less than £2,000,000 then such lesser monetary amount shall apply as the Company's maximum liability for all damages costs and expenses payable in respect of all occurrences of Terrorism during any one Period of Insurance

For the purpose of this Clause "Terrorism" means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatsoever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes.

War Civil War Political Risk and Terrorism Limitation (Applicable only to Section C1)

The liability of the Company under this section for damages costs and expenses payable in respect of any one claim against the Insured or series of claims against the Insured arising out of one event shall not exceed £5,000,000 This limitation shall only apply in respect of any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from War Civil War Terrorism or Political Risk as defined below

For the purposes of this Clause "War Civil War Terrorism or Political Risk" means war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution military or usurped power martial law confiscation or nationalisation or requisition or destruction of property by or under the order of any Government or public or local authority Terrorism or any action taken in controlling preventing suppressing or in any way relating to any of the above

For the purposes of this Clause "Terrorism" means an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political religious ideological or similar purposes.

8 Computers and other Equipment Components or Systems

Sections A and B of this Policy do not cover

- a) Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether property belonging to the Insured or not where such Damage is caused by programming or operator error Virus or Similar Mechanism or Hacking
- b) Loss of Rent and Alternative Accommodation directly or indirectly caused by or arising from any programming or operator error Virus or Similar Mechanism or Hacking including where this results from the actions of malicious persons other than thieves

For the purposes of this Section Exclusion the following Definitions apply:

Definitions

- a) Virus or Similar Mechanism shall mean program code programming instruction or any 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

This Definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs.

- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data

9 Excess Clause

The Company shall not be liable under the Perils Insured shown below for the first £250 of each and every loss after the application of any condition of Average

Buildings – c e g h i and k

Contents of Communal Parts – c e g h and j

The Company shall not be liable under Peril f for the first £1,000 of each and every loss after the application of any condition of Average

This clause does not apply if a higher amount has already been excluded

Policy Conditions

1 Policy Terms

All parties insured under this Policy agree to the terms of this Policy in respect of anything that should or should not be done and the statements made and the answers in the Proposal Form or Statement of Fact are true and complete

If any of the parties insured break this Condition the Company may refuse to meet any claim

2 Precautions

The Insured will be required to take all reasonable precautions to prevent a claim and must keep all the Property Insured in good condition and repair

3 Cancellation

Rights of the Insured

Statutory Cancellation Rights

The Insured may cancel this Policy during the 14 days after receipt of the policy documents in respect of the first period of insurance or during the 14 days after renewal date in respect of subsequent periods of insurance by giving notice in writing during this period to the Insureds Insurance Adviser at the address shown in their correspondence or to Fusion Insurance Services Limited, 45 Church Street, Birmingham, B3 2RT

Provided that there have been

- no claims made under the Policy for which the Company has made a payment
- no claims made under the Policy which are still under consideration
- no incidents likely to give rise to a claim but yet to be reported to the Company during this 14 day period the Company will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this Policy subject to a minimum premium of £50.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance no refund for the unexpired portion of the premium will be given

Cancellation Outside The Statutory Period

The Insured may cancel this policy at any time by providing prior written notice to the Insureds Insurance Adviser at the address shown in their correspondence or to Fusion Insurance Services Limited, 45 Church Street, Birmingham, B3 2RT

Provided that there have been

- no claims made under the Policy for which the Company have made a payment

- no claims made under the Policy which is still under consideration
- no incidents likely to give rise to a claim but yet to be reported to the Company

during the current Period of Insurance the Insured will retain an amount of premium in proportion to the time the Insured has been on cover and refund the balance to the Insured

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance no refund for the unexpired portion of the premium will be given

Rights of the Company

The Company may at any time give 21 days notice of cancellation by recorded delivery to the Insureds last known address Any premium refund will be calculated in accordance with the above

In the event of non payment of the Premium this Policy will be regarded as being cancelled from the date when payment was due or the default date where premium is paid by instalments

4 Instalments Clause

If the premium on this Policy is payable by the Company's Budget Plan and the Insured does not pay each instalment on the due date all cover under the Policy is cancelled automatically from the date such instalment was due or where statute requires the giving of prior notice the day following the expiry of such notice

If the premium on this Policy is payable by the Company's Budget Plan and during the current period of insurance:

- a claim has been made under the Policy for which the Company has made a payment
- a claim has been made under the policy which is still under consideration
- an incident has occurred which is likely to give rise to a claim but is yet to be reported to the Company

the annual premium remains due in full. In such case monthly collections must continue or a one off payment be agreed to settle the outstanding amount

Where a one off payment is not made to settle the outstanding amount the Insured must continue with the instalment payments. Alternatively the Company may deduct any outstanding instalments from any claim payment that may be due to the Insured or payable on of the insured behalf

Any instalments payments legitimately taken prior to the notification of cancellation of the Budget Plan agreement will be retained. Any refund of premium will be in respect of any subsequent collections taken between the time of notification and cancellation

5 Claims Procedure

If the Insured wishes to make a claim or if something happens which may lead to a claim the Insured must notify the Company as soon as reasonably practicable either to the Companys local branch or through the Insureds Insurance Adviser

If there has been malicious damage theft or attempted theft the Insured must also inform the police immediately on discovery of the loss or damage

The Insured will be required to complete the claim form supplied by the Comapny and return it to the Company within 30 days of the incident with all the supporting documents and proofs required by the Company for example written estimates

If the Insured receive a writ summons or other legal process regarding a claim under the Policy the Insured must send it immediately to the Company

The Insured must give the Company all the help and information necessary to settle or resist a claim against the Insured or to help the Company take action against another party or parties

If the above procedure is not followed the Insured will break a Condition of the Policy and the Company may not meet the claim

6 Control of Claims

The Insured must not admit deny negotiate or settle a claim without the written consent of the Company but should make temporary repairs to the Block of Flats or Private Dwelling House affected by the Damage to prevent further Damage

7 Claims – Rights of the Company

The Company may enter any part of the Block of Flats or Private Dwelling House affected by a claim and take possession of it.

The Insured cannot abandon the Block of Flats or Private Dwelling House to the Company but the Company may take complete control of legal action in the name of the Insured on behalf of the Insured.

The Company may take legal action in the name of the Insured against any other party to recover any payment made by the Company under the Policy and this will be done at the expense of the Company.

8 Contribution

If at the time of a claim there is any other Policy covering anything insured under this Policy the Company shall be liable only for a proportionate share

9 Arbitration

If the Company admit liability for a claim but the Insured cannot agree with the Company the amount to be paid the disagreement will be referred to an arbitrator appointed jointly by the Insured and the Company in accordance with the law in force at the

time the Insured will not be able to take action in law against the Company over this disagreement until the arbitrator has made his award

10 Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or anyone acting on behalf of the Insured to obtain any benefit under this Policy or if any Damage is caused by a wilful act of the insured or with the connivance of the Insured all benefit under the Policy will be forfeited

Legal Expenses Section

Only operative if this Section is shown as insured in the Schedule

This cover is provided by DAS Legal Expenses Insurance Company Limited. Head and Registered Office: DAS House, Quay Side, Temple Back, Bristol BS1 6NH England. Registered in England and Wales, number 103274.

Property owners legal protection

Welcome to commercial legal protection

Thank you for insuring with DAS. As a DAS Commercial Legal Protection policyholder, your business is now protected by Europe's leading legal expenses insurer. To make sure that you get the most from your DAS cover, please take time to read the policy which explains the contract between us.

Please take extra care in following the procedures under Employment Compensation Awards cover (insured incident 1(b)).

If you have any questions or would like more information, please contact Fusion Insurance Services Limited. It will help if you keep the following points in mind:

How we can help

Once you have given us details of your claim and we have accepted it, we will start to resolve your legal problem.

To make a claim under your policy please telephone us on **0870 755 3111** and we will take details of your dispute. We will not be able to confirm cover for your claim, but we will provide you with a reference number and advise you what to do next.

If you would prefer to report your claim in writing please send it to:

Claims Department,
DAS Legal Expenses Insurance Company Limited,
DAS House, Quay Side, Temple Back,
Bristol BS1 6NH.

Alternatively you can email your claim to us at newclaims@das.co.uk

Claims are usually handled by a representative appointed by us, but sometimes we deal with them ourselves.

Claims outside the United Kingdom may be dealt with by other DAS offices elsewhere in Europe.

If you need help from us

You can phone us any time on **0870 755 3111** for advice on any commercial legal or tax problem affecting your business.

When we cannot help

Please do not ask for help from a solicitor or accountant before we have agreed. If you do, we will not pay the costs involved.

Problems

We will always try to give you a quality service. If you think we have let you down, please write to our Customer Relations Department at our Head Office address shown opposite.

Or you can phone us on **0117 934 0066** or email us at customerrelations@das.co.uk

Details of our internal complaint handling procedures are available on request.

If you use this service, it does not affect your right to take legal action.

DAS Legal Expenses Insurance Company Limited is authorised and regulated by the Financial Services Authority.

This is your commercial legal protection policy

This policy certificate, the schedule and any endorsement shall be considered as one document.

The proposal or any information supplied by the **policyholder** shall be incorporated in the contract.

This policy will cover the **insured person** in respect of any **insured incident** arising in connection with the business shown in the policy schedule if the premium has been paid.

We agree to provide the insurance in this policy as long as:

- a) the **date of occurrence** of the insured incident happens during the **period of insurance** and within the territorial limit;
and
- b) any legal proceedings will be dealt with by a court, or other body which **we** agree to, in the **territorial limit**;
and
- c) in civil claims it is always more likely than not that an **insured person** will recover damages (or obtain any other legal remedy which **we** have agreed to) or make a successful defence.

For all **insured incidents**, **we** will help in appealing or defending an appeal as long as the **insured person** tells us within the time limits allowed that they want us to appeal. Before **we** pay any **costs and expenses** for appeals, **we** must agree that it is always more likely than not that the appeal will be successful.

If a **representative** is used, **we** will pay the **costs and expenses** incurred for this.

We will pay Compensation Awards that **we** have agreed to.

The most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is £100,000.

The meaning of words in this policy

1) We, us, our

DAS Legal Expenses Insurance Company Limited.

2) The policyholder

As shown in the policy schedule.

3) Insured person

The **policyholder** and the directors, partners, managers, employees and any other individuals declared to **us** by the policyholder.

4) Representative

The lawyer, accountant or other suitably qualified person, who has been appointed to act for an **insured person** in accordance with the terms of this policy.

5) Period of insurance

The period for which we have agreed to cover the **insured person** and for which the premium has been paid.

6) Full enquiry

An extensive examination by HM Revenue & Customs which considers all aspects of the **policyholder's** tax affairs, excluding those enquiries which are limited to one or more specific aspects of the **policyholder's** self assessment and/or corporation tax return.

7) a) Aspect enquiry

An examination by HM Revenue & Customs which considers one or more specific aspects of the **policyholder's** self assessment and/or

b) Tax intervention enquiry

An examination by HM Revenue & Customs to measure the level of compliance in the **policyholder's** financial accounting records to highlight areas where errors have or may occur.

8) Date of occurrence

1) For civil cases (other than under **insured incident – 8 Tax Protection**), the **date of occurrence** is when the cause of action first accrued.

2) For criminal cases, the **date of occurrence** is when the **insured person** commenced or is alleged to have commenced to violate the criminal law in question.

3) For licence mandatory registration or registration appeals, the **date of occurrence** is when the **policyholder** first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel the **policyholder's** licence or British Standard Certificate of Registration.

4) For **full enquiries** or **aspect enquiries**, the **date of occurrence** is when HM Revenue & Customs first notifies in writing the intention to make enquiries.

For **tax intervention enquiries**, the **date of occurrence** is when HM Revenue & Customs first contacts the policyholder in relation to commencing an intervention enquiry into their business accounts.

For Employers' Compliance and Value Added Tax disputes, the **date of occurrence** is when the relevant authority sends an assessment or written decision to the **policyholder**.

9) Costs and expenses

Legal costs

All reasonable and necessary costs chargeable by the **representative** on a standard basis.

Also the costs incurred by opponents in civil cases if an **insured person** has been ordered to pay them, or pays them with our agreement.

Accountant's costs

A reasonable amount in respect of all costs reasonably incurred by the **representative**.

Attendance expenses

The **insured person's** salary or wages for the time that the **insured person** is off work to attend any arbitration, court or tribunal hearing the request of the **representative** or while attending jury service. **We** will pay for each half or whole day that the court, tribunal or the **insured person's** employer will not pay for.

The amount **we** will pay is based on the following:

- the time the **insured person** is off work including the time it takes to travel to and from the hearing. This will be calculated to the nearest half day assuming that a whole day is eight hours;
- if the **insured person** works full time, the salary or wages for each whole day equals 1/250th of the **insured person's** yearly salary or wages;
- if the **insured person** works part-time, the salary or wages will be a proportion of the **insured person's** weekly salary or wages.

10) Territorial limit

For **insured incidents 2 Legal Defence (excluding 2(4)), and 6(b) Bodily Injury** The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.

For all other Insured incidents

The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands and any other extension agreed with **us**.

Insured incidents we will cover

1) Employment disputes and compensation awards

a) Employment Disputes

We will defend the policyholder's legal rights:

- 1) prior to the issue of legal proceedings in a court or tribunal following the dismissal of an employee; or
- 2) in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 3) in legal proceedings in respect of any dispute with
 - a) an employee or ex-employee or a trade union acting on behalf of an employee or ex-employee which arises out of, or relates to, a contract of employment with **the policyholder**; or
 - b) an employee, prospective employee or ex-employee arising from an alleged breach of their statutory rights under employment legislation.

What is not covered

- 1) Any claim in respect of damages for personal injury or loss of or damage to property.
- 2) Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 Protection) Regulations 2005.

b) Compensation Awards

We will pay:

- 1) any basic and compensatory award; and/or
- 2) an order for compensation following a breach of **the policyholder's** statutory duties under employment legislation in respect of a claim **we** have accepted under **insured incident 1(a)**.

Provided that

- 1) In cases relating to performance and/or conduct, **the policyholder** has throughout the employment dispute either:
 - a) followed the ACAS Code of Disciplinary and Grievance Procedures as prepared

by the Advisory Conciliation and Arbitration Service; or

- b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
- c) sought and followed advice from **our** legal advice service.

- 2) For an order of compensation following **the policyholder's** breach of statutory duty under employment legislation **the policyholder** has at all times sought and followed advice from **our** legal advice service since the date when **the policyholder** should have known about the employment dispute.
- 3) For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, **the policyholder** has sought and followed advice from **our** Claims Department prior to serving notice of redundancy.
- 4) The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by **us**.

What is not covered

- 1) Any compensation award relating to the following:
 - trade union activities, trade union membership or non-membership;
 - pregnancy or maternity rights;
 - health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - statutory rights in relation to trustees of occupational pension schemes;
 - statutory rights in relation to Sunday shop and betting work.
- 2) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
- 3) Any award ordered because **the policyholder** has failed to provide relevant records to employees under the National Minimum Wage laws.
- 4) Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or re-engagement order.

c) Service Occupancy

We will negotiate for **the policyholder's** legal rights against an employee or ex-employee to recover possession of premises owned by, or for which **the policyholder** is responsible.

What is not covered

Any claim relating to defending **the policyholder's** legal rights other than defending a counter-claim.

2) Legal defence

At **the policyholder's** request

- 1) We will defend the **insured person's** legal rights:
 - a) prior to the issue of legal proceedings when dealing with the
 - Police
 - Health and Safety Executive and/ or Local Authority Health and Safety Enforcement Officer where it is alleged that the **insured person** has or may have committed a criminal offence; or
 - b) following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction; or
 - c) if civil action is taken against the **insured person** for compensation under section 13 of the Data Protection Act 1998. We will also pay any compensation award made against the **insured person** under section 13 of the Data Protection Act 1998.
- 2) We will defend **the policyholder's** legal rights following civil action taken against **the policyholder** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**.
- 3) We will defend the **insured person's** (other than **the policyholder**) legal rights if:
 - a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion; or
 - b) civil action is taken against them as a trustee of a pension fund set up for the benefit of **the policyholder's** employees.
- 4) We will represent the **insured person** in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting **the policyholder's** business.
- 5) We will represent **the policyholder** in appealing against the refusal of the Information Commissioner to register **the**

policyholder's application for registration.

- 6) We will pay the **attendance expenses** of an **insured person** for jury service.

Provided that

- 1) In so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned, the **territorial limit** shall be any place where the Act applies.
- 2) At the time of the **insured incident**, **the policyholder** has registered with the Information Commissioner in respect of **insured incident (1)(c)**.

What is not covered

Any claim which leads to the **insured person** being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

3) Statutory licence protection

We will represent **the policyholder** in appealing to the relevant statutory or regulatory authority, court, or tribunal following an event which results in a licensing or regulatory authority suspending, or altering the terms of, or refusing to renew, or cancelling **the policyholder's** licence or British Standard Certificate of Registration.

What is not covered

- 1) An original application or application for renewal of a statutory licence or British Standard Certificate of Registration.
- 2) Any licence appeal relating to the ownership, driving or use of a motor vehicle.

4) Contract disputes

We will negotiate for **the policyholder's** legal rights in a contractual dispute arising from that agreement or that alleged agreement which has been entered into by or on behalf of **the policyholder** for the purchase, hire, sale or provision of goods or of services.

Provided that

- 1) The amount in dispute exceeds £250. If the amount in dispute exceeds £5,000, **the policyholder** will be responsible for the first £500 of **legal costs** each and every claim.
- 2) If the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £250.
- 3) If the dispute relates to money owed to **the policyholder**, a claim under the policy is made within 90 days of the money becoming due and payable.

What is not covered

- 1) Any claim relating to the following:
 - the settlement payable under an insurance policy;
 - a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement;
 - a loan, mortgage, pension or any other financial product and choses in action;
 - a motor vehicle owned by, or hired or leased to, **the policyholder** other than agreements relating to the sale of motor vehicles where **the policyholder** is engaged in the business of selling motor vehicles.
- 2) A dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with **the policyholder**.
- 3) A dispute which arises out of the:
 - sale or provision of computer hardware, software, systems or services; or
 - purchase or hire of computer hardware, software, systems or services; tailored by a supplier to **the policyholder's** own specification.
- 4) A dispute arising from a breach or alleged breach of professional duty by an **insured person**.
- 5) The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.

5) Lease disputes

We will negotiate for **the policyholder's** legal rights in a dispute with a tenant of **the policyholder** arising from a breach or alleged breach of the tenancy agreement applying to premises which are owned by or are the responsibility of **the policyholder**.

Provided that

- 1) The amount in dispute exceeds £250.
- 2) **We** will not pay more than £50,000.
- 3) The premises subject to the dispute are insured by the policy to which this insurance attaches.

What is not covered

- 1) The recovery of money and interest due from a tenant other than disputes where the tenant intimates that a defence exists.

- 2) A dispute arising from or relating to the renewal of the lease or tenancy agreement, a rent review or the supply of service by or through **the policyholder**.

6) Property protection and bodily injury

a) Property Protection

We will negotiate for **the policyholder's** legal rights in any civil action relating to material property which is owned by, or the responsibility of **the policyholder**, following:

- 1) any event which causes or could cause physical damage to such material property;
- or
- 2) any nuisance or trespass.

What is not covered

Any claim relating to the following:

- 1) a contract entered into by the **policyholder**;
- 2) goods in transit or goods lent or hired out;
- 3) goods at premises other than those occupied by **the policyholder** unless the goods are at such premises for the purpose of installations or use in work to be carried out by **the policyholder**;
- 4) mining subsidence;
- 5) defending **the policyholder's** legal rights other than in defending a counter-claim;
- 6) a motor vehicle owned or used by, or hired or leased to an **insured person** other than damage to motor vehicles where the policyholder is engaged in the business of selling motor vehicles.

b) Bodily Injury

At **the policyholder's** request, **we** will negotiate for an **insured person's** and their family members' legal rights following an event which causes the death of, or bodily injury to them.

What is not covered

Any claim relating to the following:

- 1) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident; or
 - 2) defending an **insured person's** or their family members' legal rights other than in defending a counterclaim;
- or
- 3) a motor vehicle owned or used by, or hired or leased to an **insured person** or their family members.

7) Tenancy disputes

We will negotiate for **the policyholder's** legal rights in respect of a dispute between **the policyholder** and **the policyholder's** landlord relating to premises leased or rented by **the policyholder**.

What is not covered

Any dispute arising from or relating to rent or service charges or renewal of the tenancy agreement.

8) Tax Protection

a) Full or Aspect Enquiries

We will negotiate on behalf of **the policyholder** in respect of a **full enquiry** and/or **aspect enquiry** and represent them in any subsequent appeal proceedings.

b) Employers' Compliance

We will negotiate on behalf of **the policyholder** and represent them in any appeal proceedings in respect of a dispute concerning **the policyholder's** compliance with Pay As You Earn or Social Security Regulations following a review by HM Revenue & Customs.

c) VAT Disputes

We will negotiate on behalf of **the policyholder** and represent them in any appeal proceedings following an assessment Value Added Tax due.

d) Tax Intervention Enquiries

We will negotiate on behalf of **the policyholder** and represent them in any dealings with HM Revenue & Customs in respect of a **tax intervention enquiry**.

Provided that

- 1) For all **insured incidents**, **the policyholder** has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed.
- 2) We will not pay more than £5,000 for claims in respect of **aspect enquiries** or **tax intervention enquiries**.

What is not covered

- 1) In respect of **aspect enquiries** and **tax intervention enquiries** the first £200 of **costs and expenses** in each and every claim.
- 2) Any **insured incident** arising from a tax avoidance scheme.
- 3) Any **insured incident** caused by the failure of

the policyholder to register for Value Added Tax.

- 4) Any **insured incident** arising from any investigation or enquiries undertaken by HM Revenue & Customs Special Investigation Section or Special Civil Investigations or the Revenue & Customs Prosecution Office.
- 5) Any **insured incident** arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

What is not covered by this section

- 1) Any claim reported to **us** more than 180 days after the date the **insured person** should have known about the **insured incident**.
- 2) **Costs and expenses** incurred before the written acceptance of a claim by **us**.
- 3) Fines, penalties, compensation or damages which the **insured person** is ordered to pay by a court or other authority other than compensation awards as covered under **insured incident 1(b) Compensation Awards** and **2 Legal Defence**.
- 4) Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 5) Any claim relating to franchise or agency agreement entered into by **the policyholder**.
- 6) Any **insured incident** deliberately or intentionally caused by an **insured person**.
- 7) A dispute with **us** not otherwise dealt with under Condition 7.
- 8) Any claim relating to a shareholding or partnership share in **the policyholder** unless such shareholding was acquired under a scheme open to all employees of **the policyholder** or a substantial number of them of a certain minimum grade other than the directors or partners of **the policyholder**.
- 9) An application for judicial review.
- 10) Any claim caused by, contributed to by or arising from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
 - war, invasion, foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup;
 - pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

- 11) Legal action an **insured person** takes which **we** or the **representative** have not agreed to or where the **insured person** does anything that hinders **us** or the **representative**.
- 12) When either at the commencement of or during the course of a claim, **the policyholder** is bankrupt or has filed a bankruptcy petition or winding-up petition, or has made an arrangement with its creditors, or has entered into a deed of arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator.
- 13) Any claim directly or indirectly caused by or resulting from any device failing to recognise, interpret or process any date as its true calendar date.
- 14) Apart from **us**, the **insured person** is the only person who may enforce all or any part of this policy and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the policy in relation to any third-party rights or interest.

Conditions which apply to the whole section

- 1) An **insured person** must:
 - a) keep to the terms and conditions of this policy;
 - b) notify **us** immediately of any alteration which may materially affect our assessment of the risk;
 - c) take reasonable steps to keep any amount **we** have to pay as low as possible;
 - d) try to prevent anything happening that may cause a claim;
 - e) send everything **we** ask for, in writing;
 - f) give **us** full details of any claim as soon as possible and give **us** any information **we** need.
- 2)
 - (a) **We** can take over and conduct in the name of the **insured person**, any claim or legal proceedings at any time. **We** can negotiate any claim on behalf of an **insured person**.
 - b) **We** will choose the **representative** to represent an **insured person** in any proceedings where **we** may be liable to pay a **compensation award**. In any other case an **insured person** is free to choose a **representative** (by sending **us** a suitably qualified person's name and address) if:
 - i) **we** agree to start legal proceedings and it becomes necessary for a lawyer to represent the interests of an **insured person** in those proceedings; or
 - ii) there is a conflict of interest
- 3)
 - (a) An **insured person** must tell **us** if anyone offers to settle a claim and must not agree to any settlement without **our** written consent.
 - b) If an **insured person** does not accept a reasonable offer to settle a claim, **we** may refuse to pay further **costs and expenses**.
 - c) **We** may decide to pay the **insured person** the amount of damages that the **insured person** is claiming or is being claimed against them instead of starting or continuing legal proceedings.
- 4)
 - (a) If **we** ask, an **insured person** must tell the **representative** to have **costs and expenses** taxed, assessed or audited.
 - (b) An **insured person** must take every step to recover **costs and expenses** that **we** have to pay and must pay **us** any **costs and expenses** that are recovered.
- 5) If a **representative** refuses to continue acting for an **insured person** with good reason, or if an **insured person** dismisses a **representative** without good reason, the cover **we** provide will end at once, unless **we** agree to appoint another **representative**.
- 6) If an **insured person** settles a claim or withdraws their claim without **our** agreement, or does not give suitable instructions to a **representative**, the cover **we** provide will end at once and **we** will be entitled to re-claim any **costs and expenses** paid by **us**.
- 7) If there is a disagreement about the way **we** handle a claim that is not resolved through **our** internal complaints procedure, **we** and the **insured person** can choose a suitably qualified person to arbitrate. **We** and the **insured person** must both agree to the choice of this person in writing. Failing this **we** will ask the president of a national association relevant to the arbitration to choose a suitably qualified person. All costs of resolving the matter must be paid by the party whose argument is rejected. If the decision is not

clearly made against either party, the arbitrator will decide how the costs are shared.

- 8) **We** may at **our** discretion require **the policyholder** to obtain an opinion from counsel at **the policyholder's** expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by **us**.
- 9) **We** can cancel this policy at any time as long as **we** tell **the policyholder** at least 14 days beforehand. **The policyholder** can cancel this policy at any time as long as **we** are told at least 14 days beforehand.
- 10) **We** will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this policy did not exist.
- 11) This policy will be governed by English law.
- 12) All Acts of Parliament within the policy wording shall include equivalent legislation in Scotland, Northern Ireland the Isle of Man or the Channel Islands as the case may be.

Helpline Services

We provide these services 24 hours a day, 7 days a week during the **period of insurance**. To help **us** check and improve our service standards, **we** record all calls.

Eurolaw Commercial Legal Advice

We will give **the policyholder** confidential legal advice over the phone on any commercial legal problem affecting the business, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

Tax Advice

We will give **the policyholder** confidential advice over the phone on any tax matters affecting the business, under the laws of the United Kingdom.

Business Assistance

In the event of an unforeseen emergency affecting **the policyholder's** business premises which causes damage or potential danger, **we** will contact a suitable repairer or contractor and arrange assistance on behalf of **the policyholder**. All costs of assistance provided are the responsibility of **the policyholder**.

To contact the above services, phone us on 0870 755 3111 quoting policy number TS5/4077177.

Counselling

We will provide all employees (including any members of their immediate family who permanently live with them) of **the policyholder** 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 us on 0117 934 2121.

These calls are not recorded.

We will not accept responsibility if the Helpline Services fail for reasons we cannot control. Please do not phone us to report a general insurance claim.

The Employment Manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit our website at **www.das.co.uk**. From the Home Page click on the Employment Manual icon. All the sections of this web-based document can be printed off for your own use.

Contact **us** at **employmentmanual@das.co.uk** with **your** email address, quoting policy number **TS5/4077177** and **we** will contact **you** by email to inform **you** of future updates to the information.

Fusionbusinesslaw

At **www.Fusionbusinesslaw.co.uk** **you** will find a free, online reference full of the sorts of letters, articles and forms that will help **you** run **your** business successfully. Fusionbusinesslaw users can also access interactive document builders, to help make composing common commercial documents as easy as possible.

From new legislation and employment issues to property law and taxation, **you** will find the content provided by Fusionbusinesslaw is updated regularly by legal experts to help **you** keep **your** business one step ahead.

To access Fusionbusinesslaw, **you** will need to visit **www.Fusionbusinesslaw.co.uk** and register using password FUS472301 and Policy Number TS5/4077177. If **you** experience any problems accessing the service, please email the problem to **businesslaw@das.co.uk** quoting the above policy number.

Please note that if you have a specific problem or dispute, you should always contact the legal advice helpline for assistance.

Complaints and Compensation

Complaints

(not applicable to the Legal Expenses Insurance Section)

If you wish to make a formal complaint please address your concerns to the Fusion Complaints Officer at:

Fusion Insurance Services Limited
45 Church Street
Birmingham
B3 2RT

Fusion's goal is to give excellent service to all our customers, but we recognise that things do go wrong occasionally. We take all complaints we receive seriously and aim to resolve all our customers' problems promptly. To ensure that we provide the kind of service you expect we welcome your feedback. We will record and analyse your comments to make sure we continually improve the service we offer.

What happens if you complain

- a) We will acknowledge your complaint within 2 working days of receipt
- b) We aim to resolve complaints within 5 working days
- c) Once an assessment and full investigation of your concern has been made we will respond with a decision.

Most of our customers' concerns can be resolved quickly, but occasionally more detailed enquiries are needed. If this is likely, we will contact you with an update and give you an expected date of response. This will not be beyond 20 working days from when you first made your complaint.

If you are dissatisfied with the final decision, you can refer the matter to the Financial Ombudsman Service (FOS).

The FOS will only consider your complaint if you have given us the opportunity to resolve it and you are a private policyholder, a business that employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2,000,000, a charity with an annual income of less than £1,000,000 or a trustee of a trust with a net asset value of less than £1,000,000. If however, we do not resolve your complaint within 40 days, the FOS will accept a direct referral.

Whilst we are bound by the decisions of the FOS, you are not. Following the complaint procedure does not affect your right to take legal action.

Compensation Scheme

The Company are covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations, you may be entitled to compensation under this scheme depending on the type of insurance and the circumstances of the claim.

You are covered for 90 per cent of the claim without any upper limit. However, for compulsory classes of insurance, you are covered for 100 per cent of the claim without any upper limit.

[Further information about compensation scheme arrangements is available from the FSCS.](#)

You can visit their website at www.fscs.org.uk or write to

Financial Services Compensation Scheme
7th Floor
Lloyds Chambers
Portsofen Street
London
E1 8BN

REF : FPF001/12.12

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Fusion Insurance is a trading name of Fusion Insurance Services Limited
Fusion Insurance Services Limited is authorised and regulated by the
Financial Conduct Authority FCA No. 308400

Fusion Insurance is a coverholder and acts for certain leading insurers

Registered office: Towergate House, Eclipse Park, Sittingbourne Road,
Maidstone, Kent, ME14 3EN

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