



PREMIER LEASEHOLD INSURANCE POLICY WORDING

Contents

About your policy	3
Complaints Procedure	7
Policy Definitions	9
Section 1 - Buildings	12
Section 2 – Property Owners Liability	19
Section 3 – Terrorism	21
General Exclusions	29
General Conditions	32
How to Make a Claim	34
Cancelling the policy	36

About your policy

Your policy is administered by Avid Insurance Services Limited.

Sections 1 & 2 are underwritten by MSIG Europe SE, UK Branch with the company registration number FC038781 and offices at the Leadenhall Building, 122 Leadenhall Street, EC3V 4AG, tel +44 (0)20 7746 1000. MSIG Europe SE is authorised and regulated by the National Bank of Belgium. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Authority. Details about the extent of our regulation by the Prudential Regulation Authority and the Financial Conduct Authority are available from **us** on request.

Section 3 is underwritten by Ark Syndicate Management Limited on a 100% proportion basis.

The underwriters' obligations under this policy are several and not joint and are limited solely to their individual subscriptions. The Underwriters are not responsible for the subscription of any co-subscribing underwriter who for any reason does not satisfy all or part of its obligations.

Avid Insurance Services Limited are authorised and regulated by the Financial Conduct Authority, registration number: 511522 having its head office at 1st Floor, Hallmark Building, 106 Fenchurch Street, London, EC3M 5JE.

The Financial Conduct Authority website, which includes a register of all regulated firms can be visited at www.fca.gov.uk, or the Financial Conduct Authority can be contacted on 0800 111 6768

Unless **we** have agreed otherwise with **you**, the law applicable to this contract is that of England and Wales unless **your** registered office or principal place of **business** is situated in Scotland, Northern Ireland the Channel Islands or the Isle of Man in which case the law of that territory will apply

On behalf of Avid Insurance Services Limited.



John Inwood

Underwriting director, Avid Insurance Services Limited

How to Use your policy

We wish to provide **you** with a good standard of service. To help **us** achieve this, it is important that **you** read this policy carefully. If it does not meet **your** requirements, or **you** have any comment or query about the policy, please contact **us** through **your** broker, intermediary or agent, which issued **your** policy.

In return for payment of the premium shown in the **schedule**, **we** agree to insure **you**, subject to the terms and conditions contained in or endorsed on this policy, against loss or **damage you** sustain or legal liability **you** incur for accidents happening during the **period of insurance**. **We** will provide Insurance as stated in each operative section of the policy during the **period of insurance**.

Your schedule provides details of the insurance protection provided, the sections of the policy that are operative and the levels of cover **you** have.

Duty of Fair Presentation

1. Before this policy is entered into, **you** must make a fair presentation of the risk to **us**, in accordance with Section 3 of the Insurance Act 2015. In summary, **you** must:
 - a) Disclose to **us** every material circumstance which **you** know or ought to know. Failing that, **you** must give **us** sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium);
 - b) Make the disclosure in clause (1)(a) above in a reasonably clear and accessible way; and
 - c) Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.
2. For the purposes of clause (1)(a) above, **you** are expected to know the following:
 - a) If **you** are an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance.
 - b) If **you** are not an individual, what is known to anybody who is part of **your** senior management team; or anybody who is responsible for arranging **your** insurance.
 - c) Whether **you** are an individual or not, what should have been revealed by **you** following a reasonable search of information available to **you**. The information may be held within **your** organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the insurance). If, for example, subsidiaries, affiliates or other parties, **we** expect that **you** will have included them in its enquiries, and that **you** will inform **us** if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.
3. During the **period of insurance**, **you** must continue to make a fair presentation of the risk to **us**. If **you** are aware of any material changes to the information provided or if **you** become aware of any material changes **you** must immediately tell **us** through **your** broker, intermediary or agent.

Remedies to **us** following a breach in your duty of fair presentation

Before this policy was entered into

If **you** have breached **your** duty to make a fair presentation of the risk to **us** before this **policy** was entered into, then:

- a) Where the breach was deliberate or reckless, **we** may avoid this **policy** and refuse all claims, and keep all premiums paid;
- b) Where the breach was neither deliberate nor reckless, and but for the breach:
 - i) **we** would not have agreed to provide cover under this policy on any terms, **we** may avoid **your** policy and refuse all claims, but will return any premiums paid;

- ii) **we** would have agreed to provide cover under this policy but on different terms (other than premium terms), **we** may require that this policy includes those different terms with effective from the start of the **period of insurance**
- iii) **we** would have agreed to provide cover under this policy but would have charged a higher premium,
 - a) If the discovery of the breach arose because of a claim, at **your** option:
 - i) **we** will reduce proportionately the amount paid on a claim. **We** will pay only X% of what **we** would otherwise have been required to pay, where $X = \text{premium actually charged} / \text{the higher premium that would have been charged} \times 100$; or
 - ii) **we** will pay the claim in full provided that **you** pay to **us** the additional premium that **we** would have charged, but for **your** breach of the duty of fair presentation, calculated from the start of the **period of insurance**

NOTE: In the case of underinsurance option ii. is not available.

- b) If the discovery of the breach did not arise because of a claim **you** must pay to **us** the additional premium that **we** would have charged, but for **your** breach of the duty of fair presentation, calculated from the start of the **period of insurance**.

Before a variation was agreed

If **you** have breached **your** duty to make a fair presentation of the risk to **us** before any variation to this **policy** was agreed, then:

- a) If the breach was deliberate or reckless, **we** may terminate this **policy** with effect from the date of the variation, and keep all premiums paid;
- b) where the breach was neither deliberate nor reckless, and but for the breach:
 - i) **we** would not have agreed to the variation on any terms, **we** may treat this policy as though the variation was never made, but will return any additional premiums paid in relation to the variation;
 - ii) **we** would have agreed to the variation but on different terms (other than premium terms), **we** may require that the variation includes those different terms with effect from the date the variation was made; and/or
 - iii) **we** would have agreed to the variation but would have increased the premium, or would have increased it by more than **we** did, or would not have reduced it or would have reduced it by less than **we** did:
 - a) If the discovery of the breach arose because of a claim, at **your** option:
 - i) **we** may reduce proportionately the amount paid on a claim arising out of events after the variation. In those circumstances, **we** will pay only Y% of what **we** would otherwise have been required to pay, where $Y = \text{total premium actually charged} / \text{the premium that would have been charged} \times 100$; or
 - ii) **we** will pay the claim in full provided that **you** pay to **us** the additional premium that we would have charged, but for the breach of the duty of fair presentation, calculated from the date the variation was entered into.

NOTE: In the case of underinsurance option ii. is not available.

- b) If the discovery of the breach did not arise because of a claim, **you** must pay to **us** the additional premium that **we** would have charged, but for the breach of the duty of fair presentation, calculated from the date the variation was entered into.
- iv) Where **we** would have agreed to the variation but on different terms and **we** would also have increased the premium, or would have increased it by more than **we** did, or would not have reduced it or would have reduced it by less than **we** did
 - a. **we** may require that the variation includes those different terms with effect from the date the variation was made; and
 - b. before a variation was agreed b) iii) as shown above will also apply.

Financial Services Compensation Scheme

MSIG Europe SE is covered by the Financial Services Compensation Scheme. **You** or a **leaseholder** may be entitled to compensation from the Scheme if Amlin Insurance SE is unable to meet its obligations to **you** under this policy.

If **you** were entitled to compensation from the Scheme, the level and extent of the compensation would depend on the nature of this policy. Further information about the Scheme is available from the Financial Services Compensation Scheme (10th Floor, Beaufort House, 15 St. Botolph Street, London EC3A 7QU) and on their website www.fscs.org.uk.

Contracts (rights of Third Parties) Act 1999 Clarification Clause

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

Financial Sanctions

Notwithstanding any other terms under this Agreement, no insurance cover shall apply under this contract and **we** shall not be deemed to provide any cover, benefit or service to **you** or shall be liable to pay any sum in respect of any claim or to assist under this contract to the extent that the provision of such benefit, the settlement of any such claim or the provision of assistance or service would expose us to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions under the laws or regulations of the United Kingdom, the European Union or any other applicable national law.

Privacy notice

You and **your leaseholder's** personal data, such as name, address, other contact details, financial and risk related details have been, or will be, collected or received by **us** for the purposes of providing good quality insurance and ancillary services as part of a pending or actual contract for services.

We manage personal data in accordance with applicable data protection law and data protection principles. If you want to know more details and how we safeguard **your** personal data and **your** rights, please read the full Data Privacy Notice, which can be found <https://msig-europe.co.uk/data-privacy-notice>.

A paper copy of the Data Privacy Notice can be obtained by contacting the Data Protection Officer by email (privacy@msig-europe.com) or at the below address:

Data Protection Officer
MSIG Europe
Koning Albert-II laan
371030 Brussels
Belgium

Complaints Procedure

We aim to provide **our** clients with a high standard of service. Consequently, should **we** fail to meet **your** expectations; **we** will aim to resolve **your** concerns promptly and fairly.

Complaints Procedure applicable to Sections 1-2:

If **you** or a **leaseholder** have any questions or concerns about **your** policy or the handling of a claim you should, in the first instance, contact **us** or **your** broker where applicable.

In the event that you remain dissatisfied and wish to make a complaint, **you** can do so at any time. **Our** contact details are:

- Post: Complaints, MSIG Europe SE, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AG.
- Telephone: +44 (0) 20 7746 1300 Fax: +44 (0) 20 7746 1001
- Email: complaints.uk@msig-europe.com
- Website: msig-europe.co.uk

Complaints Procedure applicable to Section 3:

Our aim is to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly. At all times **we** are committed to providing you with the highest standard of service.

Details of Lloyd's complaints procedures, including timescales for resolution, are set out in a leaflet "Your Complaint – How We Can Help" available at www.lloyds.com/complaints.

If you are dissatisfied about your insurance or the handling of a claim under this section, **you** should contact:

- Compliance Department, Ark Syndicate Management Ltd, 30 Fenchurch Avenue, London EC3M 5AD
- Email: complaints@arkunderwriting.com

In the event that **you** remain dissatisfied and wish to take the matter further **you** can do so at any time by referring to the complaints team at Lloyd's. The contact details are:

- Complaints, Fidentia House, Walter Burke Way, Chatham Maritime, Chatham, Kent, ME4 4RN
- Tel: +44 (0) 20 7327 5693
- Fax: +44 (0) 20 7327 5225
- Email: complaints@lloyds.com

Complaints – Financial Ombudsman Service

If **you** remain dissatisfied after **we** have considered **your** complaint, or if **you** have not received a written final response within eight weeks from the date of **your** complaint, **you** may be entitled to refer **your** complaint to the Financial Ombudsman Service who will independently consider **your** complaint free of charge. Their contact details are:

- Post: The Financial Ombudsman Service, Exchange Tower, London E14 9SR
- Telephone: Tel: 0800 023 4567 (calls to this number are free from 'fixed lines' in the UK) 0300 123 9123 (calls to this number cost the same as 01 and 02 numbers on mobile phone tariffs in the UK) Tel (Outside UK): +44 (0) 20 7964 0500
- Fax: +44 (0)20 7964 1001
- Email: complaint.info@financial-ombudsman.org.uk
- Website: www.financial-ombudsman.org.uk

Please note:

You must refer **your** complaint to the Financial Ombudsman Service within six months of **our** final response.

The Financial Ombudsman Service will consider a complaint from private individuals or from a small to medium enterprise (SME) which has an annual turnover of less than £6.5 million (or its equivalent in any other currency) and;

- i) Employs fewer than 50 persons; or
- ii) Has a balance sheet total of less than £5 million (or its equivalent in any other currency)

The existence of this Complaints Procedure does not affect any right of legal action **you** may have against **us**.

Fraud Prevention and Detection

If false or inaccurate information is provided and fraud identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. **We** and other organisations may also access and use this information to prevent fraud and money laundering, for example when:

- a) checking details on applications for credit and credit related or other facilities;
- b) managing credit and credit related accounts or facilities;
- c) recovering debt;
- d) checking details on proposals and claims for all types of insurance; and
- e) checking details of job applicants and **employees**.

Policy Definitions

Certain words and expressions within this policy are deemed to have a particular meaning wherever they appear in the policy. All definitions are highlighted in bold and italics to assist in **you** identifying them.

Word or Expression	Meaning
<i>Accidental Damage</i>	Sudden and unexpected <i>damage</i> caused by external and visible means.
<i>Act of terrorism</i>	An act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.
<i>Block of Flats</i>	Any block or <i>building</i> converted into more than one self-contained unit.
<i>Bodily Injury</i>	Personal Injury or death from external violent and visible means, sickness or disease, illness, nervous shock or mental injury.
<i>Buildings/ building</i>	<p>The structure of the house, bungalow, flat, apartment, <i>block of flats</i> owned by <i>you</i> or for which <i>you</i> are legally responsible and which has been declared to <i>us</i> and which <i>we</i> have accepted under this insurance including:</p> <ol style="list-style-type: none"> 1. Fixtures and fittings. 2. Garages, <i>greenhouse</i>, sheds and outbuildings. 3. Statues and fountains cemented into the ground. 4. Patios, paved and decked areas, footpaths, roads, car parks, lampposts, drives, swimming pools but not their covers, hard tennis courts, fixed playground equipment and play areas, walls, fences and gates, drains, pipes, cables and underground tanks servicing the building. 5. Closed circuit security TV systems, security equipment, canopies, fixed signs and external lighting, aerials, satellite dishes and solar panels. 6. Common parts of the structure in which the individual <i>housing unit</i> is situated but only to the extent of the <i>leaseholder's</i> interest as defined in the original lease granted on the individually leased unit by <i>you</i>. <p>Where the extent of a <i>leaseholder's</i> common interest is not defined within the lease agreement the extent of the <i>leaseholder's</i> interest will be calculated proportionally based on total number of <i>housing units</i> in any one building.</p> <p>Apart from point 6, this definition only applies to the extent of <i>your</i> legal responsibility for property which has been transferred by lease 'demised' and which is noted within the leasehold agreement.</p>

Damage	Physical loss or physical destruction of or damage to any tangible property or asset.
Employee	Anyone working for you including: <ol style="list-style-type: none"> 1. Person under a contract of service or apprenticeship with you. 2. Labour master and people supplied by him or her. 3. Person employed by labour-only sub-contractors. 4. Self-employed person. 5. Person hired from any public authority, company, firm or individual. 6. Voluntary committee member, trustee or other voluntary worker. 7. A trainee or person undertaking work experience
Endorsement	A change to the terms of this insurance contract as showing in your schedule .
Excess	The first part of any claim that you or a leaseholder must pay following loss or damage and as detailed on your schedule .
Flood	The escape of water from its normal, natural or artificial confines (other than tanks, apparatus or pipes), tidal wave, tsunami or any other inundation from the sea, whether or not driven by wind.
Geographical limits	Great Britain, Isle of Man, Channel Islands, Northern Ireland.
Housing Unit	Any individual house, bungalow, flat, maisonette or self-contained hostel accommodation owned by you or for which you are legally responsible which has been declared to us and which we have accepted under your insurance.
Immediate Family	A resident's respective spouse, partner, children (including adopted and foster children), parents or other relatives who reside in the private living accommodation with the resident .
Leaseholder	The person(s) who are responsible for an individual housing unit as named on the lease agreement.
Loss of Rent	Rent you would have received but have lost (including up to two years ground rent) or anticipated rent in respect of buildings damaged in the course of construction by any cause which would have been insured following completion and handover to you .
Motorised Vehicle	Any electrically or mechanically powered vehicle, caravans, trailers, watercraft including surfboards, hovercraft, aircraft, all-terrain vehicles or quad bikes, including any part or accessories other than domestic gardening equipment, battery-operated golf trolleys or wheelchairs, battery or pedestrian operated models or toys used within the boundaries of the land belonging to the buildings .

Ornamental or Landscaped Gardens	Any garden that is professionally designed, landscaped and tended within the boundaries of the land belonging to the buildings .
Period of Insurance	The period shown on your schedule and any further period for which you have paid or have agreed to pay, and we have accepted or have agreed to accept your premium.
Pollution or Contamination	Pollution or contamination of buildings or other structures or of water or land or the atmosphere and all loss or damage or injury directly or indirectly caused by such pollution or contamination.
Rent	Unitary charges, grants, service charges, management charges and any other income reasonably expected.
Resident	The lessee, tenant or part owner of any housing unit including their immediate family .
Schedule	The document detailing your insurance including the period of insurance and any endorsements applicable.
Storm	Rainstorm, windstorm, hailstorm, hurricane, tempest, typhoon, tornado or cyclone, including damage caused by water that backs up from a sewer or drain as a direct result (excluding flood).
Sum insured	The cost of reinstating buildings to the same style and appearance as new including fees and other associated costs and the cost of meeting Local Authority and/or other regulatory requirements.
Uninhabitable	If a building is deemed to be unstable as defined under the Housing Act 1985 or if it is unfit for human habitation due to inadequate lighting, heating, water supply, cooking facilities, washing facilities, toilet facilities or effective drainage/sewage systems.
Unoccupied	Vacant, empty, untenanted or not in use.
We, Our, Us	(Section 1 and 2 only): MSIG Europe SE (Section 3 only): Ark Syndicate Management Limited for and on behalf of the underwriting members subscribing to Syndicate 4020 – 100%
You, Your	The policy holder as stated on the schedule .

Section 1 - Buildings

This section only applies when shown in **your schedule**. Please also see the general exclusions and general conditions.

We will indemnify **you**, less the **excess** detailed in **your schedule**, in the event of loss or **damage** to the **buildings** caused by the perils listed below occurring or commencing during the **period of insurance**.

The most **we** will pay in respect of any one loss or series of losses arising directly from the same cause for any one **building** or **block of flats** including **loss of rent** and alternative accommodation is the limit noted on **your schedule**.

Peril	Excluded from Cover
1. Fire, smoke, lightning, explosion, power surge explosion, earthquake, spontaneous fermentation and thunder bolt.	a) Loss or damage caused by riot or civil commotion
2. Storm , Tempest or Flood .	a) Loss or damage caused by frost. b) Loss or damage to fences and gates. c) Loss or damage to swimming pools, tennis courts, paved terraces, patios, footpaths, drives and foundations unless the main structure of the building is damaged by the same cause at the same time. d) Loss or damage to any flat roof area on a building unless you can demonstrate that the roof has been inspected and maintained in line with your cyclical inspection policies. e) Loss or damage caused by lightning f) Loss or damage solely attributable to changes in the water table g) Loss of damage caused subsidence, heave or landslip of the site on which your buildings stand
3. Freezing water in fixed water or fixed heating systems, or water escaping from washing machines, dishwashers, fixed water or fixed heating systems or Oil escaping from a fixed heating system.	a) Loss or damage to the appliance or system itself from which the water escapes except where the damage is caused by freezing. b) Loss or damage to swimming pools. c) Loss or damage where the housing unit has been unoccupied for more than 30 consecutive days.
4. Riot, civil commotion, strike, labour or political disturbance.	a) Any claim reported to us more than 30 days after the date of the incident.
5. Malicious Damage.	a) Loss or damage caused by you a leaseholder , or any person lawfully in the housing unit .

	<p>b) Loss or damage where the housing unit has been unoccupied for more than 30 consecutive days.</p>
<p>6. Theft or attempted theft.</p>	<p>a) Loss or damage caused by you or a leaseholder.</p> <p>b) Loss or damage to any housing unit while it is lent, let or sub-let (in whole or in part), unless force and violence was used to gain entry or exit to the building.</p> <p>c) Loss or damage where the housing unit has been unoccupied for more than 30 consecutive days.</p>
<p>7. Subsidence, heave or landslip of the site on which your buildings stand</p>	<p>Loss or damage:</p> <p>a) To patios, drives, terraces, footpaths, tennis courts, swimming pools, statues, fountains, playgrounds and play areas, car parks, walls, fences and gates, canopies and closed-circuit television systems, security equipment, fixed signs and external lighting unless the main structure of the housing unit or block of flats is damaged by the same cause and at the same time.</p> <p>b) To solid floors, or damage caused because solid floors have moved, unless the foundations of the outside walls of the buildings are damaged by the same cause and at the same time.</p> <p>c) To new structures bedding down, expanding or shrinking or the settling of newly made-up ground.</p> <p>d) Caused by coastal or river erosion.</p> <p>e) Caused by the action of chemicals on or the reaction of chemicals with any materials forming part of the buildings.</p> <p>f) Caused by or due to buildings being under construction, demolition, being altered or repaired.</p> <p>g) Which commenced or occurred before the inception of your policy.</p> <p>h) Caused by or due to faulty workmanship, the use of defective materials or defective design.</p>
<p>8. Falling trees or branches, including the cost of removing the fallen part of the tree or the complete tree if totally uprooted.</p>	<p>a) Loss or damage to fences and gates.</p> <p>b) The cost of removing part or all of fallen trees unless damage has been caused to the buildings.</p> <p>c) Loss or damage caused by Felling, Lopping or topping.</p>

9. Falling aerials or satellite receiving equipment, their fittings or masts.	a) Loss or damage to the aerial, satellite receiving equipment, fittings and masts.
10. Impact by flying objects, vehicles, trains, animals or aircraft or anything dropped from them.	
11. Accidental damage to drains, pipes, cables and underground tanks (including gradually operating tree root ingress) used to provide services to or from the buildings which you, or leaseholder(s) are legally responsible for.	a) Loss or damage caused by or from movement, settlement or shrinkage of any part of the buildings or the land belonging to the buildings .
12. Accidental breakage of glass in doors or windows, ceramic hobs if fitted, sanitary ware, solar heating panels fixed to and forming part of the building or within the boundary of the building .	
13. Accidental Damage.	<ul style="list-style-type: none"> a) Loss or damage caused by the buildings moving, settling, shrinking, collapsing or cracking. b) Loss or damage caused by any process of cleaning, repairing, renovating or maintaining the buildings. c) Loss or damage to swimming pools, tennis courts, patios, paved footpaths, roads, car parks, lampposts and drives. d) Loss or damage where the housing unit has been unoccupied for more than 30 consecutive days. e) Loss or damage to boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them due to joint leakage, failure of welds, cracking, fracturing, collapse or overheating f) Loss or damage caused by the deliberate act of a provider undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services g) Loss or damage caused to a particular machine, apparatus or equipment caused by mechanical, electronic, electrical or computer breakdown or derangement but this will not exclude subsequent loss or damage so long as it is covered under perils 1-12 and not otherwise excluded h) Loss or damage more specifically covered under perils 1-12. i) Anything stated under excluded from cover for perils 1-12.

<p>14. Damage to the property caused by forced entry of Emergency Services.</p>	<p>a) Loss or damage as a result of actual or suspected criminal activities by you or any person lawfully in the housing unit.</p>
<p>15. If you or any of the residents have agreed to sell any housing unit and, between the date contracts are exchanged and the date the sale is completed, it is damaged by perils 1 to 13 of this section, we will provide cover for the person buying the housing unit when the sale has been completed, so long as this is within the period of insurance.</p>	<p>a) This cover does not apply if insurance on the buildings has been arranged by or for the buyer.</p>
<p>16. Loss of rent and cost of Alternative Accommodation.</p> <p>We will pay loss of rent and reasonable costs of comparable accommodation (including storage of contents and the cost of accommodation of domestic pets where not more specifically insured) incurred by you, a leaseholder or the resident of the buildings during the period necessary to restore the buildings to a habitable condition if the buildings are rendered uninhabitable due to any loss or damage caused by perils 1 to 13 of this section. Furthermore, cover will be provided:</p> <p>a) where your building remains habitable but loss or damage to any property nearby caused by perils 1 to 13 of this section means that following instructions from the emergency services access to your building is not permitted.</p> <p>b) where your building remains habitable but access is denied to by order of Government, Local Authority or emergency services but not where the denial of access is due solely or in part, to any action undertaken by you or by your failure to undertake any action and which otherwise would have resulted in access not being denied.</p> <p>c) Where any:</p> <ol style="list-style-type: none"> i. Generating station or sub-station of a public electricity supply provider. ii. Land based premises of the public gas supply or any national gas producer linked directly to the building. iii. Waterworks and pumping stations of a public water supply provider. iv. Land based premises of any public telecommunications provider. <p>From which the buildings obtain electricity, gas, water or telecommunication services are damaged by any of the perils 1-13 of this section which renders the buildings uninhabitable.</p>	<p>a) Any amount greater than 25% of the sum insured of the building at the time the loss or damage occurs.</p> <p>b) In respect of sections a), b) and c) the most we will pay is £100,000 in any one period of insurance</p> <p>c) Any costs caused by any electricity, gas, water or telecommunications company cutting off or restricting your supply other than as a direct result of loss or damage by any of the perils 1-13 of this section.</p> <p>d) Any costs due to the failure of your electricity, gas, water or telecommunications supply caused by a withdrawal of labour at the electricity, gas, water or telecommunications company.</p> <p>e) Any amount greater than £1,000 in respect of alternative accommodation for domestic pets.</p>
<p>17. The increased cost of metered water or oil from any domestic heating installation for which you are legally responsible for in the buildings following accidental damage.</p>	<p>a) Any amount greater than £25,000 for any one loss.</p>

<p>18. We will pay the costs and expenses you pay with our written permission to find the source of any damage caused to the building by escape of water from a fixed water or heating system and then make good.</p>	<p>a) The most we will pay is £5,000 for any one loss less the excess.</p>
<p>19. Accidental damage to satellite receiving equipment, aerials and their fittings or masts which are permanently fixed to the outside of the building or within the boundary of the building.</p>	<p>a) Loss or damage more specifically insured under a contents policy.</p>
<p>20. Loss or damage to ornamental or landscaped gardens caused by perils 1, 5, 6, 7 and/or by the emergency services.</p>	<p>a) Any amount greater than £20,000 for any one loss.</p>
<p>21. If you or the residents lose the keys to the doors of the buildings or to safes or alarms in the buildings or they are stolen, or there is accidental damage to the locks of the doors, safes or alarms, we will either pay the cost of changing locks and keys or repairing locks if we choose.</p>	<p>a) Any amount greater than £5,000 for any one loss. b) Loss or damage caused by any process of repair or restoration.</p>
<p>22. We will pay the cost of removing debris, dismantling and/or demolishing, shoring up or propping, where damage has been caused to buildings by, and is covered by any of the perils in paragraphs 1 to 13 of this section</p>	<p>a) Any costs or expenses incurred in removing debris except from the site of buildings destroyed or damaged and the area immediately adjacent to the site. b) Loss or damage to any contents of the buildings</p>
<p>23. We will pay additional costs to reinstate the property to comply with central government or public authority legislation/regulations (where necessary).</p>	<p>a) Any costs or expenses incurred if the damage was not caused by perils 1-13. b) Any costs of expenses if you were told about the requirement before loss or damage occurred.</p>
<p>24. Contractors. Contractors are allowed to work in the buildings for the purpose of effecting and repair, minor additions and alterations and decorations without prejudice to this insurance. Where you are required to effect insurance on the buildings in the joint names of you and the contractor under the terms of a condition in the contract between you and the contractor, then the interest of the contractor is hereby noted.</p>	

<p>25. Notice of Interests.</p> <p>The interest of the freeholder, head lessee (if they are not the Insured), the owner or lessee of each property, shared owners, leaseholders, mortgagees or other interested parties in each housing unit is covered by this insurance and is noted to the extent any such interest should be disclosed in the event of a loss.</p>	
<p>26. Inflation Protection – Index Linking.</p> <p>We will change the buildings sum insured each month using figures available from the Royal Institute of Chartered Surveyors or another similar index.</p> <p>Index linking will continue while the buildings are repaired or replaced as long as you make sure any work is carried out as quickly as possible.</p>	
<p>27. Inadvertent Omission to insure.</p> <p>If you notify us of your intention to insure all buildings which you own or for which you are legally responsible situated within the geographical limits with us (unless otherwise agreed in writing by us) from the inception date of your policy and it being your belief that all such buildings are insured then we agree to extend cover so that if subsequently any such buildings are found to have inadvertently been undeclared (and as a consequence left uninsured) by you during the period of Insurance then we will deem such buildings to be insured, provided that;</p> <p>a) Our maximum liability for any one claim shall not exceed £500,000 in respect of any one building.</p> <p>b) You shall carry out, at not less than twelve monthly intervals, a check to ensure that effective insurance is in force for all buildings which you own or for which you are legally responsible.</p> <p>c) You shall give details in writing immediately an omission is discovered, and within 30 days of the date of discovery shall provide us with the sums insured to apply to any such building and effect specific cover retrospective to such date and pay the appropriate additional premium.</p>	
<p>28. We will pay for any loss or damage caused by squatters.</p>	<p>a) Any amount greater than £50,000 for any one loss.</p>
<p>29. We will pay the costs and expenses you incur with our written permission in order to evict squatters following occupation of a building or housing unit.</p>	<p>a) Any amount greater than £10,000 for any one event.</p>

Section 1 - Settling Claims

How We Settle Claims

As long as the loss or **damage** is covered under **your** insurance, **we** will pay the cost of repairing or replacing the damaged parts of the **buildings** in a new condition similar in size, shape or design, including fees and other costs. If the damaged parts are no longer available in their original form, **we** will replace them with parts of a similar quality. If the **buildings** have not been kept in a good state of repair, **we** will pay the cost of repairing or replacing the damaged parts of the **buildings**, but **we** will deduct an amount for wear and tear.

Fees and other costs mean architects', surveyors' and legal fees necessarily incurred in repair and replacement (but excluding fees and costs incurred in preparing or furthering any claim under this insurance).

If Repairs or Replacement Are Not Carried Out

If **you** or a **leaseholder** do not repair or replace the **buildings**, **we** will pay the reduction in market value of the **buildings** caused by the damage. **We** will not pay more than it would have cost to repair the **damage** if the repair work had been done straight away.

In the case of a total loss, the **building** may be replaced on another site in a manner suitable for **your** needs but this must not increase **our** liability.

Building Regulations, Local Authority or Legal Conditions

We will not pay the cost of meeting **building** regulations, local authority or legal conditions if **you** or a **leaseholder** knew that **you** needed to meet any regulations or conditions and a notice was served on **you** before the **damage** happened. **We** will not pay the cost of meeting any regulations or conditions if they apply to any undamaged parts of the **buildings**.

Excess

We will deduct the **excess** from the amount **we** pay for the claim.

Reinstatement of Sum Insured

The **sum insured** on **buildings** will not be reduced after a claim is paid.

Exclusions Applying To Sections 1 - Buildings

The following exclusions apply to Section 1 - **Buildings**

Please also see the general exclusions and general conditions

1. Loss or **damage** caused by anything that happens gradually.
2. Loss or **damage** caused by corrosion, rust, wet or dry rot, shrinking, evaporation, dampness or wear and tear.
3. The cost of correcting faulty workmanship or design, latent defects or the cost of replacing faulty materials.
4. Loss or **damage** caused by chemicals reacting with any materials which the **buildings** are built from.
5. Loss or **damage** caused by pets, insects, or vermin.
6. The cost of maintenance, normal redecoration and preparation for occupancy.
7. The cost of replacing, repairing or changing any undamaged items or parts of items forming part of a set, suite, carpet or other items of a common nature, colour, design or use. This applies if the other item can still be used and the loss or **damage** only affects one part of the set.
8. Loss or **damage** which happens before **your** policy starts or which arises from an event before **your** policy starts.
9. Loss or **damage** caused deliberately by **you** or the **leaseholder**.
10. mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this will not exclude subsequent **damage** so long as it is not excluded above.

Section 2 – Property Owners Liability

We will indemnify **you** or where applicable a **leaseholder** or **your** personal representatives in respect of legal liability incurred by **you**, against **your** legal responsibility to pay damages and/or costs to others within the **geographical limits** occurring at the **buildings** which are the result of accidental **bodily injury** to anyone or **accidental damage** to material property caused during the **period of insurance**;

- a) arising out of a defect in the **buildings**;
- b) incurred by virtue of either Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises Act (Northern Ireland) Order 1975 in connection with any **building** formerly owned or leased by or the responsibility of **you** provided that at the time of the incident giving rise to the liability **you** had disposed of all legal title to an interest in the **building**.

In the event of this section ceasing to apply to **you** as a result of the sale of any such **building**, then indemnity under part b) shall apply to accidental **bodily injury** or **accidental damage** to material property occurring during a period of 7 years from the date of such cessation but will not apply if liability is covered under a more recently effected or current insurance.

Our liability shall apply in respect of any one claim or series of claims arising out of any one event. **We** may pay the limit shown in the **schedule** (after taking off any sums **we** have already paid) or any lesser amount which will cover the claim. **We** will then have no further liability in connection with the claim.

Section 2 - Extensions

The insurance by Section 2 – property owners’ liability is extended to include the following occurring or commencing during the **period of insurance**:

1. Coroners inquests

We will provide cover in respect of costs of legal representation at any coroner’s inquest or inquiry in respect of any death and proceedings in any court arising out of any alleged breach of statutory duty resulting in injury, loss or **damage** which may be the subject to cover under Section 2 – Property Owners Liability. In addition all other costs and expenses in relation to any matter which may form the subject of a claim incurred with **our** written consent and defence costs and other expenses **you** incur following **our** written permission will also be covered.

Section 2 - Exclusions

The following exclusions apply to Section 2 – Property Owners Liability

Please also see the general exclusions and general conditions.

Liability arising directly or indirectly from:

1. Loss or **damage** to property belonging to, or held in trust by, **you, your employee** or a **leaseholder**.
2. Loss, injury or **damage** arising out of owning, possessing or using **motorised vehicles**.
3. Injury to **you** or any of **your employees**.
4. Demolition, erection or structural alteration of or addition to new or existing buildings or structures.
5. An assault, alleged assault or a deliberate or criminal act by **you, your employee** or a **leaseholder**.
6. The transmission of any communicable **disease** or virus by **you** or a **leaseholder**.
7. Any legal responsibility of any **resident** as occupier (not as **leaseholder**) of the **housing unit** in which they are residing.
8. The cost of correcting any fault or alleged fault.
9. Any liability solely as occupier of the **buildings**.
10. Any legal responsibility **you** have under any agreement that **you** would not have if the agreement did not exist.
11. Any liability arising from owning vacant land awaiting development or sale.
12. Any liability under paragraph 1b in respect of which **you** or a **leaseholder** are entitled to indemnity from any other source.
13. Any liability arising from or caused by any work involving the manufacture, mining, processing, use, installation, storage, removal, stripping out, demolition, disposal, distribution, inspection or testing of asbestos fibres, asbestos dust or asbestos-containing materials.
14. Any liability arising from **pollution or contamination**.

Section 3 – Terrorism

This Section only applies when shown in **your schedule**. Please also see the general exclusions and general conditions. If there is any conflict between other terms or definitions in this policy and those contained in this section, the terms and definitions in this section shall take precedence.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any modifications or re-enactments thereto.

Any heading in this Section is for ease of reference only and does not affect its interpretation.

Section Contents

- Insuring Clause
- Section 3 - Exclusions
- Rental Income / Alternative Accommodation Extension
- Conditions

Insuring Clause

Subject to the exclusions, limits and conditions hereinafter contained, this section insures the **buildings** up to the **sum insured** amount as stated in the **schedule**, against physical loss or physical **damage** occurring during the **period of insurance** caused by an **act of terrorism**.

Section 3 Exclusions

The following exclusions apply to Section 3 – Terrorism

1. Loss or **damage** arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss by seizure or legal or illegal occupation unless physical loss or **damage** is caused directly by an **act of terrorism**.
3. Loss or **damage** caused by confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives **you** of the use or value of its property, nor for loss or **damage** arising from acts of contraband or illegal transportation or illegal trade.
4. Loss or **damage** directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
5. Loss or **damage** arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.
6. Loss or **damage** arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.
7. Any fine or penalty or other assessment which is incurred by **you** or which is imposed by any court, government agency, public or civil authority or any other person.
8. Loss or **damage** by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

9. Loss or **damage** caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion.
10. Loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of the **buildings** hereunder.
11. Loss or **damage** caused by measures taken to prevent, suppress or control actual or potential terrorism unless agreed by **us** in writing prior to such measures being taken.
12. Any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working. For the avoidance of doubt, nothing in this exclusion is intended to limit the cover made available by the **rental income/alternative accommodation** extension.
13. Loss or **damage** caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service.
14. Loss or increased cost because of a threat or hoax.
15. Loss or **damage** caused by or arising out of burglary, house-breaking, looting, theft or larceny.
16. Loss or **damage** caused by mysterious disappearance or unexplained loss.
17. Loss or **damage** directly or indirectly caused by mould, mildew, fungus, spores or other microorganisms of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.
18. This Section does not cover physical loss or physical **damage** to:
 - a) Land or land values.
 - b) Power transmission, feeder lines or pipelines not at the **buildings**.
 - c) Aircraft or any other aerial device, or watercraft.
 - d) Any land conveyance including vehicles, locomotives or rolling stock, unless such land conveyance is declared hereon and solely whilst located at the **buildings** herein at the time of its damage.
 - e) Animals, plants and living things of all types.
 - f) Property in transit not at the **buildings**.

Rental Income/Alternative Accommodation Extension

In consideration of the premium paid, and subject to the exclusions, conditions and limitations of the policy to which this section is attached, and also to the additional conditions, exclusions and limitations contained in this section, this policy is extended to cover **rental income/alternative accommodation** relating only to the **buildings** affected by the **act** or series of **acts of terrorism**, causing direct physical loss or **damage** and which renders the **buildings uninhabitable**.

1. In the event of such direct physical loss or damage, **we** shall be liable for the actual loss sustained by **you** resulting directly but not exceeding the reduction in **rental income** or cost of **alternative accommodation**, as defined hereafter for a period not to exceed such length of time as would be required, with the exercise of due diligence and dispatch to repair, rebuild or replace such part of the property as has been destroyed or damaged. The most **we** will pay is the limit as detailed in condition 3 of this section.

2. Denial of Access Extension

Loss resulting from interruption of or interference with the **buildings** in consequence of an **act** or series of **acts of terrorism** to property within a 1000 metre radius of the **buildings** which shall prevent the use of the **buildings** or access thereto, or prompts a civil or military authority to deny access to **buildings**, whether the **buildings** shall be damaged or not.

Rental income/alternative accommodation extension Condition (1) (Direct Damage) does not apply to this extension.

Each occurrence shall be adjusted separately and from the amount of each such adjusted loss, the amount of loss sustained during the first three (3) days shall be deducted.

We shall not be liable for more than £10,000 in respect of each occurrence.

Rental income/alternative accommodation extension conditions

1. Direct damage

No claim shall be payable under this extension unless and until a claim has been paid, or liability admitted, in respect of direct physical loss or **damage** by an **act** or series of **acts of terrorism** to **buildings** under the policy to which this extension is attached and which gave rise to loss of **rental income/alternative accommodation**.

This condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of an **excess** in said policy, which excludes liability for losses below a specified amount.

Rental Income/Alternative accommodation extension exclusions

This extension does not cover:

1. Increase in loss resulting from interference at the **buildings** by strikers or other persons causing delays, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation.
2. Increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the **building** being **uninhabitable**, and then **we** shall be liable for only such loss as affects **your** income, revenue or profits during, and limited to, the period the **building** is **uninhabitable**.
3. Increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any of the **buildings** hereunder.
4. Loss as a result of physical or mental or bodily injury to any person.

Rental income / alternative accommodation extension limitations

1. **We** shall not be liable for more than any specific **rental income / alternative accommodation** amount stated within condition 3 of this section regardless of the number of locations becoming **uninhabitable** because of any one **occurrence**.
2. With respect to loss resulting from **damage** to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, including data thereon, by an **act** or series of **acts of terrorism**, the length of time for which **we** shall be liable hereunder shall not exceed:

- (a) 30 consecutive calendar days, or the time required with exercise of due diligence and dispatch, to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,
- (b) the length of time that would be required to rebuild, repair or replace such other property herein described and which has been damaged or destroyed, but not exceeding twelve (12) calendar months, whichever is the greater length of time.

Rental income / alternative accommodation extension definitions

Expressly in respect of this extension, the following definition is deemed to apply.

Word or Expression	Meaning
Rental income / alternative accommodation	<p>the sum of:</p> <ul style="list-style-type: none"> (a) the anticipated rent from a resident in occupancy of the described building and (b) the amount of all charges which are the legal obligations of the resident and which would otherwise be your obligations, and (c) the fair rental value of any portion of such property which is occupied by you, or (d) the costs of reasonable alternative residential accommodation for a leaseholder or resident, and temporary storage of you or your resident's furniture and the costs of reasonable accommodation in kennels and/or catteries for resident dogs and/or cats. <p>In determining rental income / alternative accommodation due consideration shall be given to the rental experience before the date of damage or destruction and the probable experience thereafter had no loss occurred.</p>

Section 3 conditions

1. Joint insureds

Our total liability for any loss or losses sustained by **you** under this Insurance will not exceed the **sum insured** shown in the **schedule**. **We** shall have no liability in excess of the **sum insured** whether such amounts consist of insured losses sustained by **you** or a **leaseholder**

2. Situation

This policy insures **buildings** at the addresses stated in the **schedule** or as declared and accepted by **us**.

3. Sum insured

We hereon shall not be liable for more than;

- a) The actual **sum insured** of the **building** or **housing unit** insured in respect of each occurrence and in the policy aggregate if applicable.
- b) The limit noted under peril 16 of Section 1 – **buildings** in respect of **rental income / alternative accommodation** per each occurrence and in the policy aggregate if applicable.

4. Excess

Each **occurrence** shall be adjusted separately and from;

- a) each such amount the **excess** stated in the **schedule** shall be deducted

- b) the amount of each such adjusted loss the amount of the loss sustained during the period stated in the **schedule** shall be deducted from the aggregate limit stated in the **schedule**

5. Occurrence

Occurrence shall mean any one loss and/or series of losses arising out of and directly occasioned by one **act** or series of **acts of terrorism** for the same purpose or cause. The duration and extent of any one **occurrence** shall be limited to all losses sustained by **you** at **the buildings** herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this policy unless **you** shall first sustain direct physical **damage** by an **act of terrorism** prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this policy.

6. Debris removal

This policy also covers, within the sum insured, expenses incurred in the removal from the insured location of debris of property stated in the **schedule** damaged by an **act of terrorism**.

The cost of removal of debris shall not be considered in determination of the valuation of the property covered.

7. Due diligence

You (or any of **your** agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the **buildings**, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.

8. Protection maintenance

It is agreed that any protection provided for the safety of the **buildings** shall be maintained in good order throughout the duration of this policy and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of **our** interests without **our** consent.

9. Valuation

It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

The repairs, replacement or reinstatement (all hereinafter referred to as "**replacement**") must be executed with due diligence and dispatch;

Until **replacement** has been effected the amount of liability under this policy in respect of loss shall be limited to the actual cash value at the time of loss;

If **replacement** with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this policy.

Our liability for loss under this policy shall not exceed the smallest of the following amounts:

- a) The policy limit applicable to the destroyed or damaged property,
- b) The replacement cost of the property or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss, or
- c) The amount actually and necessarily expended in replacing said property or any part thereof.

We will normally expect **you** to carry out repair or replacement of the **buildings**, but if **you** and **us** agree that it is not practicable or reasonable to do this, then **we** will pay **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred. **We** will only pay **you** up to the **sum insured** shown in the **schedule**.

All amounts and accounting details to be calculated using **your** usual generally accepted accounting standards.

10. Notification of claims

You shall, upon knowledge of any **occurrence** likely to give rise to a claim hereunder, give written advice as soon as reasonably practicable to **us** and it is a condition precedent to the liability of **us** that such notification is given by **you** as provided for by this policy.

If **you** make a claim under this insurance **you** must give **us** such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of any claim. If required by **us**, **you** must submit to examination under oath by any person designated by **us**.

11. Proof of loss

You shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement from **us**) stating the time, place and cause of loss, **your** interest and the interest of all others in the property, the sound value thereof and the amount of loss or **damage** thereto.

If **we** have not received such proof of loss within two years of the expiry date of this policy, they shall be discharged from all liability hereunder.

In any claim and/or action, suit or proceeding to enforce a claim for loss under this policy, the burden of proving that the loss is recoverable under this policy and that no limitation or exclusion of this policy applies and the quantum of loss shall fall upon **you**.

12. Subrogation

Any release from liability entered into in writing by **you** prior to loss hereunder shall not affect this policy or **your** right to recover hereunder. The right of subrogation against any of **your** subsidiary or affiliated companies or any other companies associated with the Insured through ownership or management is waived;

In the event of any payment under this policy, **we** shall be subrogated to the extent of such payment to all of **your** rights of recovery therefor. **You** shall execute all papers required, shall cooperate with **us** and, upon **our** request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. **We** will act in concert with all other interests concerned (including **your** interests) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:

- a) Any interest, (including **your** interest), exclusive of any **excess** or self-insured retention, suffering a loss of the type covered by this policy and in excess of the coverage under this policy shall be reimbursed up to the amount of such loss (excluding the amount of the **excess**);
- b) Out of the balance remaining, **we** shall be reimbursed to the extent of payment under this policy;
- c) The remaining balance, if any, shall insure to the benefit of **you**, or any insurer providing insurance primary to this policy, with respect to the amount of such primary insurance, **excess**, self-insured retention, and/or loss of a type not covered by this policy.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of **you**, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on **our** initiative, the expense thereof shall be borne by **us**.

13. Salvage and recoveries

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

14. Abandonment

There shall be no abandonment to **us** of any property.

15. Assignment

Assignment or transfer of this policy shall not be valid except with **our** prior written consent.

16. Arbitration

This clause applies to this Section 3 only where there is a dispute between **you** and **us** and liability to indemnify **you** has not been admitted by **us**. If **we** have admitted liability, the arbitration clause under the claims conditions section shall operate.

If **you** and **us** fail to agree in whole or in part regarding any aspect of cover provided under this Section, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two (2) chosen shall before commencing the arbitration select a competent and disinterested umpire.

The arbitrators together shall determine such matters in which **you** and **us** fail to agree and shall make an award thereon and the award in writing of any two (2), duly verified, shall determine the same, and if they fail to agree, they will submit their differences to the umpire.

The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.

17. Several liability

Our obligations under this policy are several and not joint and are limited solely to their individual subscriptions. **We** are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

18. Legal action against underwriters

No one may bring a legal action against **us** unless:

There has been full compliance by **you** with all of the terms of this policy; and

The action is brought within two (2) years after the expiry or cancellation of this policy.

19. Material changes

You shall notify **us** of any change of circumstances which would materially affect this Insurance.

20. Experts fees

This Insurance includes, within the **sum insured**, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing the **buildings** following **damage** insured under this policy.

21. Law & jurisdiction

This Contract of Insurance is mutually agreed to be governed and constructed in accordance with the laws of England and Wales whose courts shall have exclusive jurisdiction.

22. Non USA legal service

Any summons, notice or process to be served upon **us** for the purpose of instituting any legal proceedings against them in connection with this insurance may be served to Legal Department, Ark Syndicate Management Limited, 30 Fenchurch Street, London, EC3M 5AD who have authority to accept service on their behalf.

23. Data protection

You should understand that any information about **you** will be processed by **us** in compliance of the General Data Protection Regulation for the purposes of providing insurance and handling any claims or complaints, if any, which may necessitate providing such information to other parties.

24. Amendments

Should **you** wish to amend cover provided under this section, notification of such proposed amendment should be given to **us**.

General Exclusions

The following policy exclusions relate to all sections of this policy and should be read in conjunction with other exclusions which may apply to specific Sections of the policy.

We will not cover loss, **damage** or liability arising from:

Radioactive Contamination

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Sonic Bangs

Any loss or **damage** by pressure waves caused by aircraft or other flying objects moving at or above the speed of sound.

Pollution or Contamination

Any loss or **damage** caused by or arising from **pollution or contamination** except (unless otherwise excluded) **damage** to the **buildings** caused by:

- a) **Pollution or Contamination** resulting from perils 1, 2,3,4,5 and 10 of section 1.
- b) Any of the perils detailed in (a) which result from **pollution or contamination**.

Loss of Value

Loss of value after **we** have made a claim payment.

Indirect Loss

Indirect loss of any kind other than as defined under peril 16 of Section 1 – **buildings**.

War, Government Action

- a) **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to or arising from.
 1. War, Government Action, or a nuclear incident
 2. Civil commotion in Northern Ireland
- b) Legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to or arising from War, Government Action or a nuclear incident.

For the purpose of this Exclusion:

- War shall mean 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, or military or usurped power.
- Government Action shall mean martial law, confiscation, nationalisation, requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling, preventing, suppressing or in any way relating to war.
- Nuclear incident shall mean the discharge, explosion, or use of a weapon of mass destruction (whether or not employing nuclear fission or fusion), or chemical, biological, radioactive or similar agents, by any party at any time for any reason.

Terrorism

Any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss. This exclusion also applies to any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**. In the event that any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect

It is noted that solely where Section 3 – terrorism is operative this exclusion does not apply

Cyber

Loss or **damage** to any property whatsoever, or any loss or expenses whatsoever resulting or arising therefrom directly or indirectly caused by or contributed by or arising from;

- (i) **Virus or Similar Mechanism,**
- (ii) **Denial of Service Attack,**
- (iii) unauthorised access to or use of **computer and electronic equipment,**
- (iv) The failure of any equipment to correctly recognise the date or change of date.

However, **we** will indemnify you in respect of subsequent **damage** which is not otherwise excluded to the property insured resulting from ensuing fire, explosion, impact by flying objects, vehicles, trains animals or aircraft or anything dropped from them, flood, or escape of water or oil from any tank apparatus or pipe.

In respect of this exclusion the following definitions apply:

Virus or Similar Mechanism: Program code, programming instruction or any set of instructions with the ability to damage, interfere with, or otherwise adversely affect Computer and Electronic Equipment or Data, whether involving self-replication or not, including, but not limited to trojan horses, worms and logic bombs.

Denial of Service Attack: Any actions or instructions with the ability to damage, interfere with, or otherwise affect the availability of Computer and Electronic Equipment or Data, including but 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 within, between or amongst networks.

Computer and Electronic Equipment: All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and/or similar devices, whether physically or remotely connected thereto.

Communicable disease

- a) Notwithstanding any provision to the contrary within this policy, this policy excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this policy, this policy will cover physical damage to property insured and any Time Element Loss directly resulting therefrom where such physical damage is directly caused by or arising from any of the following perils: mechanical or electrical breakdown, fire, lightning, explosion, aircraft or vehicle impact, power failure or surge, falling objects, windstorm, rainstorm, hail, tornado, cyclone, typhoon, hurricane, earthquake, seaquake, seismic and/or volcanic disturbance/eruption, tsunami, flood, storm surge, water damage, liquefaction, freeze, ice storm, sleet, weight of snow or ice, avalanche, smoke, sprinkler leakage, meteor/asteroid impact, landslip, landslide, mudslide, sinkhole, collapse, bush fire, forest fire, riot, riot attending a strike, looting, civil commotion, vandalism and malicious mischief.

Definitions

1. Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

1.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

1.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

4. Time Element Loss means business interruption, contingent business interruption or any other consequential losses.

Mould

Loss or **damage** directly or indirectly caused by mould, mildew, fungus, spores or other microorganisms of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

General Conditions

The following policy conditions relate to all sections of this policy and should be read in conjunction with other conditions which may apply to specific Sections of the policy.

It is important that **you** observe the terms and conditions of **your** insurance, and any **endorsements** attached.

Taking care

You and the **leaseholders** must take all reasonable steps to minimise loss or **damage** to all insured **housing units** including keeping **buildings** in a good condition and state of repair

Failure to meet this condition may invalidate **your** insurance and **our** ability to handle any claim submitted to **us**.

Duty to repair

You or the **leaseholders** must rectify or repair any issue(s) that has caused, or could cause loss or **damage** as soon as reasonably practical

Where loss or **damage** is directly caused by an issue that **you**, as freeholder, are responsible for rectifying, **you** will undertake best endeavours to complete repairs as per agreed service level agreements, housing repair policies or similar procedures (Hereon in known as SLA's). Where repairs in line with agreed SLA's are not possible **you** must immediately notify **us**.

If repairs are not completed in line SLA's, **we** may proportionately reduce the amount to be paid on a claim so that **our** liability does not exceed the costs that would have been incurred to reinstate or repair loss or **damage** if the issue had been resolved in line with SLA's

Changes in circumstances

If **you** would like to make changes to your policy please contact **us** through **your** broker, intermediary or agent.

If **you** are aware of any material changes to the information provided or if **you** become aware of any material changes **you** must immediately tell **us** through **your** broker, intermediary or agent.

You must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **you** need to change the information you have given **us** please contact **us** through **your** broker, intermediary or agent, as soon as reasonably practicable on becoming aware of that change.

Examples where we would need you to notify your insurance agent of a change include:

- i) if any **sums insured** you have declared to us have increased or decreased notwithstanding the 'adjustment' condition below
- ii) **you** become aware that a **building** incorporates external wall system materials which are combustible in nature

These are just some examples and there may be other circumstances **we** would want you to tell us about. If **you** are in any doubt, please contact **us** through **your** broker, intermediary or agent directly as failure to notify **us** of any changes could lead to your policy being cancelled, or a claim rejected or not fully paid.

In addition, **you** must notify **us** of any alteration to the information provided at the start, renewal or occurring during the **period of insurance** at which time **we** may apply an additional premium or other additional terms or conditions.

It is important to remember that **you** have a duty to make a fair presentation of the risk to us at the start of the policy, when any mid-term changes are notified and at the renewal of the policy.

Unauthorised use/alterations

If a **leaseholder** should undertake to use or make alterations to a **housing unit** that are not permitted under the terms of the lease agreement then **our** liability shall not exceed the cost to repair replace the damaged parts of the **housing unit** to the same condition as stipulated in the lease agreement.

Where any unauthorised use or alterations present are material to a loss then **we** may not be liable to pay any claim

Designation of Property

For the purposes of determining where necessary the item under which any **building** is insured, **we** agree to accept the designation under which the **building** has been entered in **your** books.

Non Invalidation

This insurance shall not be invalidated by any act or omission or by any alteration whereby the risk of **damage** is increased unknown to or beyond **your** control provided **you** give **us** notice as soon as **you** become aware and pay an appropriate additional premium if required.

Transferring your interest in the policy

You cannot transfer **your** interest in this insurance to anyone else without **our** written approval. **Your** interest in this insurance cannot be transferred to anyone else by **you** without **our** prior approval.

Adjustments

The premium for this insurance has been based on the **sum insured** or number of **buildings** and/or **landlords' contents** declared by **you** at the inception of this insurance or at a subsequent renewal. The premium may be adjusted up or down if the figures declared by **you** at the next renewal vary by 10% or more apart from index linking.

Multiple Insured's

1. It is noted and agreed that if **you** as described in the **schedule** comprises more than one Insured party each operating as a separate and distinct entity then (save as provided in this Multiple Insured's Clause) cover under this policy shall apply in the same manner and to the same extent as if individual policies had been issued to each such insured party provided that **our** total liability to all of the Insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or **endorsement** stated in this insurance.
2. It is understood and agreed that any payment or payments by **us** to any one or more such insured parties shall reduce to the extent of that payment **our** liability to all such parties arising from any one peril giving rise to a claim under this insurance and (if applicable) in the aggregate.
3. It is further understood that the insured parties will at all times preserve and enforce the various contractual agreements entered into by the insured parties and the contractual remedies of such parties in the peril of loss or **damage**.
4. **We** hereby agree to waive all rights of subrogation, however they arise, which **we** may have or acquire against any insured party resulting from any occurrence in respect of which a claim is admitted under this insurance except where the rights of subrogation or recourse are acquired as a result of fraud or a deliberate vitiating act in which circumstances **we** may enforce such rights in spite of the continuing or former status of the vitiating party as an insured.

Multiple Section Claims

If the insured event can be dealt with under more than one section of the policy only the highest **excess** will apply.

How to Make a Claim

As soon as **you** or a **leaseholder** are made aware of the happening of any peril or event which could give rise to a claim under this policy **you/they** shall:

1. Immediately notify **us** on the following numbers providing as much information as possible as to the circumstances surrounding the claim.

Contact numbers:

- Section 1- Buildings: 01245 396272
 - Section 2 - Property Owners Liability: 01245 396677
 - Section 3 - Terrorism – 0203 195 7500
2. Give immediate notice to the Police in respect of:
 - a) Damage by theft or any attempted theft
 - b) Damage by malicious persons.
 3. In respect of claims under Section 2 – Property Owners Liability, make no admission of liability or offer payment without **our** written consent.
 4. Inform **us** immediately of any impending prosecution inquest or fatal inquiry or civil proceedings and send **us** immediately every relevant document.
 5. Take all reasonable steps to stop or minimise any continued loss or **damage** from any event
 6. Supply **us** with any documentation or information which **we** require for investigating or verifying the claim.

Claims for loss or **damage** caused by riot, civil commotion, strikes, labour disturbances or malicious persons must be notified to **us** within 30 days.

You or a **leaseholder** must give **us**, and pay for, all the information **we** reasonably ask for about any claim. **You/they** must also help **us** to take legal action against anyone or help **us** defend any legal action if **we** ask **you/they** to.

Claims Conditions

These conditions apply to all sections of the policy. It is important that **you** observe the terms and conditions of the insurance.

Fraud

1. If **you** or a **leaseholder** make a fraudulent claim under this policy:
 - a) **We** are not liable to pay the claim, and
 - b) **We** may recover from **you** or a **leaseholder** any sums paid by **us** in respect of the claim; and
 - c) **We** may by notice to **you** treat the policy as having been terminated with effect from the time of the fraudulent act
2. If **we** exercise **our** right under clause 1c) above:
 - a) **We** shall not be liable to **you** in respect of a relevant peril occurring after the time of the fraudulent act. A relevant peril is whatever gives rise to **our** liability under the policy (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and
 - b) **We** need not return any of the premiums paid

3. If a fraudulent claim is made by, or on behalf of, a **leaseholder**, **we** may exercise the rights set out in 1a) to 1c) above

Arbitration

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

Other Insurance

If at the time of any **damage** or occurrence there be any other insurance or indemnity effected by **you** or on **your** behalf applicable to such peril or event, liability under this policy shall be limited to its rateable proportion. If any other such insurance or indemnity is subject to any provision whereby it is excluded from ranking concurrently with this policy whether in whole or in part or from contributing rateably then liability under this policy shall be limited in respect of any **damage** or occurrence to any **excess** beyond the amount which would be payable under such other insurance or indemnity had this policy not been effected.

Control of Claims

We shall be entitled:

- a) in the event of **damage** to the property insured to enter, take and keep possession of any **building** where **damage** has happened and to take and keep possession of the property insured and to deal with the salvage in a reasonable manner without incurring any liability and without diminishing **our** right to rely on any conditions of this policy
- b) at **our** discretion, to take over and conduct, in **your** name, the defence or settlement of any claim and to take proceedings, at **our** own expense and for **our** own benefit but in **your** name to recover compensation or secure indemnity from any third party in respect of any event insured by this policy and **you** shall give all information and assistance required.
- c) to any property for the loss of which a claim is paid and **you** shall execute all assignments and assurances of the property as **we** may require but **you** shall not be entitled to abandon any property to **us**.
- d) to pay to **you** the maximum sum payable under Section 2 in respect of any occurrence, or any lesser sum for which the claim or claims arising from such occurrence can be settled, and **we** shall not be under any further liability in respect of that occurrence except for the payment of costs and expenses of litigation incurred prior to such payment.

Option to Rebuild

We may, at **our** option, rebuild or restore the **buildings** destroyed or portions damaged but it is not bound to rebuild or restore the property exactly or completely and only as circumstances permit. **You** will give **us** all plans, documents, books and information at **your** own expense that **we** may reasonably require to carry out this work.

Cancelling the policy

If **you** elect to cancel **your** policy **you** must give 14 days' notice to **us**. **You** will be entitled to a proportionate refund of premium, based on the number of days remaining in the policy period, unless a claim has been made (or an incident advised that could give rise to a claim) during the **period of insurance** when no refund of premium for the **period of insurance** will be made unless agreed in writing by **us**.

Where **you** pay by instalments any amount of premium returned under this condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.

We can cancel this insurance by giving **you** thirty (30) days' notice in writing. **We** will only do this for a valid reason (examples of valid reasons are as follows):

- non-payment of premium;
- a change in risk occurring which means that **we** can no longer provide **you** with insurance cover;
- non-cooperation or failure to supply any information or documentation **we** request; or
- threatening or abusive behaviour or the use of threatening or abusive language.

You will be entitled to a proportionate refund of premium, based on the number of days remaining in the policy period, unless a claim has been made (or an incident advised that could give rise to a claim) during the **period of insurance** when no refund of premium will be made unless agreed in writing by **us**. Where **you** pay by instalments, any amount of premium refunded under this condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.