

# Commercial Property Owners Policy Summary

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## Summary of Cover

The following summary does not contain the full terms and conditions of the contract which can be found in the *Policy* wording (including any *Schedules* or *Endorsements* issued), a copy of which is available upon request. It is important that *You* read the *Policy* document carefully when *You* receive it. The summary does NOT form part of *Your* contract of insurance and is only a guide to demonstrate the cover that can be available.

## Insurer

This insurance *Policy* is underwritten by Contessa Limited on behalf of AXIS Specialty London, a UK branch of AXIS Specialty Europe SE.

Contessa Limited have been authorised by the insurers named, to transact insurance business on their behalf. Contessa Limited are authorised and regulated by the Financial Conduct Authority under reference number 308489. Registered Company No. 4466632 England. Registered Office: Suite 732, 7<sup>th</sup> Floor, Lloyd's Building, One Lime Street, London EC3M 7HA.

## Your Agent

The broker or other intermediary who arranged this insurance for *You*.

## About Your Policy

This insurance only relates to those sections of the insurance which *You* requested and *We* have agreed to insure.

## Period of Insurance

The period covered by this insurance is normally for 12 months (unless otherwise stated on the *Schedule*).

## Cancellation

*We* can cancel this insurance contract by giving you 14 days' notice in writing to *Your Agent*. *You* may also cancel this insurance contract in writing to *Your Agent*. Any return *Premium* due to *You* under Sections 1 and 2 (*Buildings* and *Rental Income*) will usually be adjusted on the basis of *Us* retaining a minimum of 33.33% of the annual *Premium*. Where the *Premises* are *Unoccupied* at inception of the *Policy*, the amounts retained by *Us* will vary according to the *Period of Insurance*, details of which can be found in the *Policy*. Any return *Premiums* due will be subject to no claims having been made under the *Policy*, nor any events having occurred which may give rise to a claim but have yet to be reported to *Us*. In respect of all *Liability* sections (*Section 3 – Property Owners Liability* and *Section 4 – Employers Liability*), *We* will retain 100% of the annual *Premium* as no return of *Premiums* are due.

## Your Obligations

*You* have an obligation at both presentation of the risk to *Us* at inception, renewal and variation of the *Policy* to make a fair presentation of the risk which includes disclosing to *Us* all material facts and circumstances, and to carry out a reasonable search to discover these material facts and circumstances. Failure to do so may cause the *Policy* to be void, cause additional terms and conditions to apply and/or, in the event of a claim, proportionately reduce the value of *Your* claim (in accordance with the Insurance Act 2015).

If *You* or *Your Agent* have acted deliberately or recklessly in failing to make a fair presentation which includes disclosing all material facts and circumstances, then *We* may be entitled to cancel the *Policy* from its start date or renewal date and retain any *Premiums* paid.

Making a fair presentation includes the disclosure of material facts and circumstances which the Underwriter/*We* may wish to know in deciding whether to underwrite the risk and/or the terms upon which to underwrite the risk. They may be relevant either to the physical risk or to the personal background and characteristics (including financial) of *You* and/or any director, partner, officer and/or principal of *Your Business*. It is important that *Your Business* should have a system in place to ensure that all material facts and circumstances are disclosed in order to be able to make a fair presentation.

Should *You* be in any doubt as to whether information is accurate or material, *You* should discuss it with *Your Agent*. If in doubt, *You* should disclose it. *We* are keen to work in partnership with *You* to avoid any misunderstandings.

## Making a Claim

If any incident occurs which might result in a claim *You* should report this to *Us* immediately through *Your Agent* (whose details will appear on the *Schedule*.)

*You* should refer to the Claims Procedure in the *Policy* for full details of the claims procedure since failure to comply may invalidate *Your* claim. The Claims Procedure includes details of *Your* Obligations, *Our* Rights, and our position regarding Fraud.

## Complaints Procedure

Our aim is to ensure that *We* deal with *Your* insurance promptly, efficiently and fairly through *Your Agent*. Please refer to the Complaints Procedure in *Your Policy* for full details of who to contact should *You* have any questions or concerns about *Your Policy* or the handling of a claim.

In the event that *You* remain dissatisfied *You* may be able to refer the matter to the Financial Ombudsman Service or the Financial Services Ombudsman Bureau, depending on who *Your* insurer is. Please refer to *Your Schedule* and the *Policy* for full details.

## Cover Available

The different sections of cover available are as below. These sections are applicable only if the *Schedule* shows that they are included or covered. Please refer to *Your Schedule* for details. For the avoidance of doubt, if any sections do not appear in *Your Schedule*, then they are not covered.

- Section 1 – Buildings
- Section 2 – Rental Income
- Section 3 – Property Owners Liability
- Section 4 – Employers' Liability

## Setting Your Sums Insured

This *Policy* requires *You* to specify a *Total Sum Insured* for each category of *Property Insured* and/or a *Sum Insured* for individual items of *Property Insured*.

To ensure that *You* recover an adequate indemnity in the event of a loss it is essential that the *Sums Insured* and *Total Sums Insured* are accurate. Otherwise, the amount payable by *Us* in the event of a claim may be reduced in proportion to the amount of any underinsurance.

Accordingly, the *Sums Insured* and *Total Sums Insured* should reflect up-to-date cost of rebuilding and, for Landlords Contents, the cost of buying a new replacement (as appropriate), of all items which *You* want to insure.

### Please note:

- The cover provided for *Buildings* and *Landlords Contents* is on a Reinstatement basis (unless specified as Indemnity) which means that *You* should set the *Sums Insured* and *Total Sums Insured* for these items carefully by reference to the full cost of rebuilding the *Buildings* to a condition equivalent to when new, or replacing the *Landlords Contents* with equivalent new items. It is important that *You* include an allowance for the cost of *Debris Removal*, *Professional Fees* and any *Increased Cost of Construction* expenses that would be required in order to reinstate the property were it to be completely destroyed.

*We* would strongly recommend that *You* discuss these aspects with *Your Agent*.

## Conditions Precedent

The importance of **conditions precedent** is highlighted on pages 7-8 of this document. If *You* are unable to comply with any **condition precedent** *You* should contact *Us* as soon as reasonably possible, and in any case within 7 (seven) days, through *Your Agent*. *We* will decide whether *We* might be prepared to agree a variation of the *Policy*. **All conditions precedent remain effective unless *You* receive written confirmation of a variation from *Us* through *Your Agent*.**

## Applicable to Section 1 – Buildings and Section 2 – Rental Income of the Policy. This Policy insures only those Defined Perils which are specified in the Schedule

Cover can be requested for:

fire, lightning, explosion, aircraft, or other aerial devices or articles dropped there from, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, theft, earthquake, storm, flood, overflowing or leaking of any sprinkler apparatus, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal, falling trees branches and falling aerials.

Options for Accidental Damage and/or Subsidence Ground Heave and Landslip may also be available.

### Unoccupied Premises:

*Defined Perils* for *Unoccupied Premises* are reduced to fire, lightning, explosion and aircraft only.

Options for "Wider Perils" on *Unoccupied Premises* may be available and these are usually defined as fire, lightning, explosion, aircraft or other aerial devices or articles dropped there from, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, earthquake, storm, flood or impact by any road vehicle or animal, falling trees, branches and falling aerials.

## SECTION 1 – BUILDINGS: COVER

Cover includes:	Significant and unusual limitations or exclusions
<p>Reinstatement or replacement following <i>Damage</i> to <i>Property Insured</i> during the <i>Period of Insurance</i>.</p>	<ul style="list-style-type: none"> <li>• The <i>Excess</i> shown in the <i>Schedule</i></li> <li>• Where <i>Property Insured</i> is partly damaged, <i>We</i> will not pay more than what <i>We</i> would have paid had such <i>Property Insured</i> been wholly lost or destroyed.</li> <li>• No payment beyond the amount which would have been payable in the absence of this Reinstatement Basis of Indemnity shall be made:             <ul style="list-style-type: none"> <li>• Unless reinstatement commences and proceeds without unreasonable delay;</li> <li>• Until the Cost of Reinstatement shall have been actually incurred;</li> <li>• If the <i>Property Insured</i> at the time of the <i>Damage</i> shall be insured by any other insurance which is not upon the same basis of reinstatement.</li> </ul> </li> <li>• If the <i>Buildings</i>, at the time of <i>Damage</i>, are awaiting refurbishment, redevelopment or renovation, then <i>We</i> will not be liable for any costs incurred by <i>You</i> in the absence of such <i>Damage</i> as part of that work</li> <li>• If the <i>Buildings</i>, at the time of <i>Damage</i>, are subject to an existing contract or order for demolition, then <i>Our</i> liability is limited to <i>Removal of Debris</i>.</li> <li>• Average may apply – where the <i>Sum Insured</i> is not adequate to cover the reinstatement of the whole property, <i>You</i> shall be liable for a rateable proportion of the <i>Damage</i> accordingly.</li> <li>• Value Added Tax (VAT) – terms under Section 1 – Buildings will exclude VAT if <i>You</i> are registered with, and are accountable to, the tax authorities.</li> </ul>

### Extensions (subject to terms and conditions) may include:

- *Landlords Contents*, as per *Sum Insured* stated on the *Schedule*
- Automatic reinstatement of *Sum Insured*
- Sale of *Property Insured*
- Services Clause – *Property Insured* extends to cover telephones, gas, water and electric instruments, meters, piping, cabling and accessories including similar property in the adjoining yards and roadways or underground, belonging to *You* or for which *You* are responsible.
- Additional Metered Water Charges up to £5,000
- Book Debts up to £10,000
- Capital Additions, including any newly acquired buildings and also any alterations or additions to existing buildings up to 10% of the *Sum Insured* or £1,000,000 whichever is the lower
- Damage to Landscaped Gardens up to £25,000
- Damage to Cables and Underground Pipes up to £5,000
- Extinguishment and Alarm Resetting Expenses up to £5,000
- Glass up to £5,000
- Personal Possessions of directors, partners, customers, visitors and *Employees*, up to £500
- Removal of Debris – Tenants Contents up to £5,000
- Theft of Keys up to £5,000
- Trace and Access up to £5,000
- Unauthorised Use of Utilities up to £10,000

### Conditions specific to Section 1 – Buildings include:

- Mortgagees and Other Interests – Underwriters/*We* are to be advised of interests in the event of a claim. Cover will not be prejudiced where there has been a change in the use of the *Premises*, without *Your* knowledge or beyond *Your* control, which increases the risk of *Damage*, provided that *You* give *Us* notice in writing within 7 days upon discovery and pay any additional *Premium* which may be required.
- Repairs and Alterations – Joiners and other tradesmen may be employed for *Renovation* (excluding any work involving structural alterations or extensions) in the *Premises* without prejudicing the cover.
- Subrogation Waiver (against any Parent or Subsidiary company, or against any tenant as long as the *Damage* is not from criminal, fraudulent or malicious acts and the tenant contributes to the cost of the insurance.)
- Unoccupied Buildings - *You* must notify *Us* within 7 days if an occupied *Building* becomes *Unoccupied* (or if an *Unoccupied Building* becomes occupied. **Unoccupancy Conditions Precedent** will apply and a *Premium* adjustment may be required.

## SECTION 2 – RENTAL INCOME: COVER

Cover includes:	Significant and unusual limitations or exclusions
<p>If <i>Your Business</i> is interrupted during the <i>Period of Insurance</i> as a direct consequence of a valid claim under Section 1 – Buildings, We will pay <i>You</i> an indemnity, up to the <i>Sum Insured</i> as shown in <i>Your Schedule</i>.</p> <p>The amount payable is usually:</p> <ul style="list-style-type: none"> <li>- the amount by which the <i>Gross Rentals</i>, as a result of <i>Damage</i>, falls short of the <i>Standard Gross Rentals</i>. (Please refer to the <i>Policy</i> wording for full definitions.)</li> <li>- the additional expenditure necessarily and reasonably incurred including the cost of re-letting the <i>Premises</i> for the sole purpose of avoiding or reducing the <i>Gross Rentals</i>, provided that this does not exceed the amount of the reduction in <i>Gross Rentals</i> which is being avoided</li> </ul> <p>less any sum saved during the <i>Indemnity Period</i> in respect of <i>Business</i> charges or expenses which cease or reduce following <i>Damage</i>.</p>	<ul style="list-style-type: none"> <li>• Payment shall have been made or liability admitted under Section 1 – Buildings of this <i>Policy</i> in respect of such <i>Damage</i> in order for this cover to apply</li> <li>• The amount payable may be proportionately reduced where the <i>Sum Insured</i> is inadequate.</li> <li>• Terms will exclude Value Added Tax if <i>You</i> are registered with and are accountable to the tax authorities.</li> </ul>

### Extensions (subject to terms and conditions) may include:

- Alternative Trading
- Automatic Rent Review
- Bombscare or Unlawful Occupation
- Buildings Awaiting Sale
- Capital Additions up to 10% of the total *Gross Rentals Sum Insured* or £1,000,000 whichever is less
- Denial of Access and Loss or Damage at Managing Agents Premises
- Failure of Public Supply
- Loss of Attraction up to £50,000 or the *Sum Insured* in respect of each *Premises* whichever is less, or £250,000 in the aggregate
- Murder, Suicide or Disease
- New Business (amendments to the definitions for *Annual Gross Rentals* and *Standard Gross Rentals* for *Damage* occurring before completion of the first year's trading of the *Business* at the *Premises*)
- Payments on Account available
- Professional Accountant Charges
- Rent Free Period (unexpired portion of the rent free period can be added to the *Indemnity Period*)
- Sale of *Property Insured*
- *Unoccupied Buildings* (reasonable evidence required to support any claim)

## SECTION 3 – PROPERTY OWNERS LIABILITY: COVER

Cover includes:	Significant and unusual limitations or exclusions
<p>Legal liability for <i>Damages</i> and <i>Claimant's Costs</i> and expenses arising out of accidental:</p> <ul style="list-style-type: none"> <li>• <i>Bodily Injury</i> to any person, except to any <i>Employee</i></li> <li>• <i>Damage</i> to material property</li> <li>• Nuisance or trespass, obstruction, loss of amenities or interference with any right of way, air, light or water or other easement occurring within the United Kingdom, the Channel Islands or the Isle of Man during the <i>Period of Insurance</i> and happening in connection with the <i>Business</i>.</li> </ul>	<ul style="list-style-type: none"> <li>• The <i>Excess</i> shown in the <i>Schedule</i></li> <li>• Asbestos Exclusion</li> <li>• Mechanically-Propelled Vehicle Exclusion</li> <li>• Computer Hardware and Systems Exclusion</li> <li>• Legionellosis Exclusion</li> <li>• Pathogenic Organisms Exclusion</li> <li>• <i>Damage</i> to <i>Property Insured</i> arising from work carried out by the <i>Insured</i></li> <li>• <i>Damage</i> to property held in trust except for personal effects, buildings temporarily occupied by <i>You</i>, or premises hired, leased rented or lent to <i>You</i> under agreement</li> <li>• Any loss or liability arising from goods or products manufactured, sold, supplied, altered, distributed, constructed, repaired, serviced, treated, or</li> </ul>

	<p>installed or let on hire by <i>You</i></p> <ul style="list-style-type: none"> <li>• Any liability for liquidated <i>Damages</i>, fines or penalties which apply solely due to a contract</li> <li>• Professional Indemnity</li> <li>• Product Recall or Guarantee</li> <li>• Fines or punitive <i>Damages</i> awarded by a Court of Law</li> <li>• Any liability for which compulsory motor insurance or security is required under any road traffic act legislation</li> <li>• Silica Exclusion</li> <li>• Lead Exclusion</li> <li>• Operational Risk Exclusion (any trade carried out by any tenant)</li> <li>• Underground Services Exclusion (no cover for underground property and services unless, before commencement of work, <i>You</i> have inquired with the relevant authorities or owners of such underground property and services and recorded in writing their locations)</li> <li>• Rip &amp; Tear Exclusion (cement and concrete restrictions and exclusions)</li> <li>• Any liability arising out of or in any way connected with any work which exceeds 3 metres in depth</li> <li>• Any liability arising in connection with work undertaken by <i>You</i> or any person employed at a height above ground level (or floor level in the case of work inside any building or structure) which exceeds a height of 10 metres.</li> </ul>
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**Extensions (subject to terms and conditions) may include:**

- Additional Persons Insured
- Compensation for Court Attendance connected to a claim under the *Policy* (£250 per day for any of *Your* directors or partners and £100 for each *Employee*)
- Cross Liabilities Clause
- Data Protection Act 1998 Extension up to £250,000 during any one *Period of Insurance*
- Defective Premises Act

**SECTION 4 – EMPLOYERS’ LIABILITY: COVER**

Cover includes:	Significant and unusual limitations or exclusions
<p>Legal liability against <i>Bodily Injury</i> caused during the <i>Period of Insurance</i>, occurring within the <i>Territorial Limits</i>, to any <i>Employee</i> arising out of their employment by <i>You</i> in the course of the <i>Business</i>.</p> <p>The limit of liability, as stated in the <i>Schedule</i>, is the maximum amount <i>We</i> will pay for any claim (including costs). This is usually £10,000,000 any one occurrence or series of occurrences arising out of any one event, but restricted to £5,000,000 for claims relating to either Asbestos or Terrorism.</p>	<ul style="list-style-type: none"> <li>• Any liability directly or indirectly caused by or contributed by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, or the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.</li> <li>• Any liability for which compulsory motor insurance or security is required under any road traffic act legislation.</li> <li>• Any liability arising out of work undertaken or operations located <i>Offshore</i>.</li> <li>• Cover is in accordance with the provisions of any law relating to compulsory liability to <i>Employees</i> in Great Britain, Northern Ireland, The Channel Islands or the Isle of Man, but <i>You</i> may have to repay to <i>Us</i> all sums paid by <i>Us</i> which <i>We</i> would not have been liable to pay but for the provisions of such law.</li> <li>• Operational Risk Exclusion (any trade carried out by any tenant)</li> <li>• Any liability arising out of or in any way connected with any work which exceeds 3 metres in depth</li> <li>• Any liability arising in connection with work undertaken by <i>You</i> or any person employed at a height above ground level (or floor level in the case of work inside any building or structure) which</li> </ul>

**Extensions (subject to terms and conditions) may include:**

- Additional Persons Insured
- Compensation for Court Attendance connected to a claim under the *Policy* (£250 per day for any of *Your* directors or partners and £100 for each *Employee*)
- Unsatisfied Court Judgements

**GENERAL EXCLUSIONS applying to the whole *Policy* unless stated otherwise:**

- Nuclear Energy Risks Exclusion
- Micro-Organism Exclusion
- War and Civil War Exclusion
- Contamination and Pollution Exclusion
- Radioactive Contamination and Explosive Nuclear Assemblies Exclusion
- Electronic Data Exclusion
- Terrorism Exclusion (Not applicable to Section 4 – Employers’ Liability)
- Northern Ireland Overriding Exclusion Applicable to Insurances relating to Property in Northern Ireland Other than Private Dwellings (Not applicable to Section 4 – Employers’ Liability and Section 3 – Property Owners Liability)
- Sonic Bangs
- Sanctions Clause
- Trade Exclusion
- Motor, Explosives, Livestock and Money Exclusion
- Consequential Loss Exclusion
- Disposed Premises Exclusion
- Known Loss Exclusion
- Joint Venture Exclusion
- General exclusions applicable to Section 1 – Buildings and Section 2 – Rental Income):
  - Inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, faulty or defective design or materials;
  - Bursting by steam pressure of a boiler economiser vessel machine or apparatus (other than from domestic boilers);
  - Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - Faulty or defective workmanship, operational error or omission
  - Corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - Change in temperature, colour, flavour, texture or finish;
  - Joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
  - Mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates;
  - In respect of Section 2 – Rental Income, the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services;
  - Infidelity or dishonesty or *Damage* from *You* voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence or unexplained loss or loss or shortage disclosed on taking inventory;
  - Subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
  - *Damage* caused by or consisting of normal settlement or bedding down of new structures;
  - Disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
  - In respect of Section 2 – Rental Income, erasure, loss, distortion or corruption of information on computer systems or other records, programs or software
  - *Damage to a Building* or structure caused by its own collapse or cracking unless resulting from a *Defined Peril*
  - *Damage* in respect of movable property in the open, fences, and gates by theft, wind, rain, hail sleet, snow, flood or dust;

- *Damage* in respect of *Unoccupied Buildings* unless resulting from fire, lightning, aircraft or explosion
- *Glass* (other than fixed *Glass*), china, earthenware, marble or other fragile or brittle objects;
- In respect of Section 1 – Buildings, curiosities or works of art other than such *Damage* caused by a *Defined Peril* and not otherwise excluded;
- Unless specifically mentioned as insured under Section 1 – Buildings, property or structures in the course of construction or erection and materials or supplies in connection with all such property in course of construction or erection, land, roads, pavements, piers, jetties, bridges, culverts or excavations;
- Any property which should be insured under a marine policy;
- Any property more specifically insured elsewhere
- Any loss in excess of £10,000 for *Damage* by malicious person(s) lawfully allowed on the *Premises* at the time of loss;
- Any *Building* work(s) falling outside of and not categorised within the definition of *Renovation* unless specifically agreed otherwise by *Us*;
- *Damage* caused by or consisting of or arising directly or indirectly from the application of heat, unless specifically agreed by *Us*;
- Any liability assumed by *You* by a contract or agreement
- Any property which is leased, let, rented, hired or lent to or which is the subject of a bailment to *You*
- Theft by persons legally on the *Premises*.

**GENERAL CONDITIONS and CONDITIONS PRECEDENT applying to the whole Policy unless stated otherwise:**

Please note that if *You* are in breach of any condition precedent at the time of a loss, *We* will have no obligation to indemnify *You* in relation to any claim for that loss. However if a condition precedent is intended to reduce the risk of loss of a particular kind, at a particular location or at a particular time, *We* will not rely on the breach of that condition precedent to exclude, limit or discharge *Our* liability if the breach could not have increased the risk of the loss of the type which actually occurred in the circumstances in which it occurred.

- **Cancellation** – *Your* and *Our* cancellation rights
- **Change in the Nature of the Risk and New Activities and Processes Condition Precedent** – *You* need to advise *Us* prior to or as soon as possible (within 7 days) of any change in the nature of the risk or of any new activities or processes at the *Premises* or any changes in tenancy or occupation. Additional terms may apply.
- **Contracts (Rights of Third Parties) Act 1999**
- **Contribution/Multiple Insurance** (Applicable to Sections 1 – Buildings and Section 2 – Rental Income)
- **Electrical Certificates Condition Precedent** – the electrical installation at the *Premises* must be inspected and tested once every 5 years by an approved contractor (see *Policy* wording for full details). Any departures, defects or faults must be notified to *Us* within 7 days and remedied within a timescale that *We* specify. If the electrical installation has not been tested within the previous 5 years at the time of inception, the whole installation must be inspected by an approved contractor and any departures, defects and faults remedied within 60 days of inception.
- **Fire Appliances Condition Precedent** – requirement to maintain all fire extinguishing appliances on the *Premises* in full working order. Any disconnection or failure of the automatic fire alarm installation must be advised to *Us* within 7 days.
- **Full Repairing Lease Condition** – all properties owned by *You* and leased to tenants must be on a full repairing lease basis that requires the tenant to maintain and repair the *Property Insured*.
- **Heat and Hot Works Condition Precedent** – see *Policy* wording for full details of the prescribed conditions applicable for any work carried out which involves the application of heat. This includes having a documented system in place and obtaining written confirmation from any contractor prior to the start of work that the precautions listed will be adhered to.
- **Insurable Interest** – *We* must agree in writing any transfer of insurable interest
- **Interpretation** – this references how the *Policy* should be interpreted, including statutes, statutory bodies, singular and plural words, and headings.
- **Jurisdiction and Law** (in accordance with the law of England and Wales)
- **Maintenance and Safety Requirements Condition Precedent** – *You* must hold a Gas Safety Record (free from defect and less than 1 year old) for the whole *Premises* from a registered engineer; if furnished, furniture must meet the Fire and Furniture Regulations Act; *You* must give *Your* tenants all

relevant instruction manuals. All inspections, checks and work carried out must be recorded and available for *Our* inspection.

- **Minimum Security Requirements (A) Condition Precedent** – all protections must be maintained in good order, and shall not be withdrawn or altered without *Our* consent; any alarm/system must be under a maintenance contract or in accordance with the manufacturer's recommendations; door and window security must conform to our minimum standards as described in the *Policy* wording; any withdrawal, reduction or delay of police response, local authority abatement, or where the alarm system cannot be returned to or maintained in full working order must be notified to *Us* within 7 days. Additional terms may apply, including an automatic application of minimum theft or attempted theft excess of £2,500 or *You* pay the first 20% of any *Damage*, whichever is the higher.
- **Non Invalidation Clause** – the *Policy* will not be invalidated by any alteration in the use of the *Premises* where the risk of *Damage* is increased, unknown to *You*, or beyond *Your* control, provided that *You* advise *Us* within 7 days of becoming aware and pay any additional *Premium* if required.
- **Other Insurances and Average** – including details of how we treat the *Policy* if there are other insurances which cover the property damaged.
- **Pipe and Tank Lagging Condition Precedent** – the heating system must be maintained and in full and effective operation and must be linked to a thermostat to automatically activate if the temperature falls below 6° Celsius, and all water tanks, apparatus or pipes must be fully lagged.
- **Portable Heaters Condition Precedent** – no portable heaters are to be used without *Our* specific agreement, including any paraffin, portable electric or gas heaters or containers or cylinders, nor any portable Liquid Petroleum Gas heating.
- **Reasonable Precautions Condition Precedent** – *You* must take all reasonable precautions for the safety of and to avoid, prevent or minimise loss. See *Policy* wording.
- **Reinstatement** – *You* shall provide plans, documents, books and information as reasonably required at *Your* own expense if *We* are to reinstate or replace any *Property Insured*. *We* are not bound to reinstate exactly, but only as circumstances permit and in a reasonably sufficient manner. *We* are not bound to expend in respect of any one of the items insured more than its *Sum Insured*.
- **Residential Tenants Condition Precedent** – any residential portions must not be let or used by local authorities or the department of social security, or asylum seeker, unless specifically agreed by *Us*.
- **Roads, Pavements and Car Parks Condition Precedent** – these areas must be fully made up and free from potholes and any other defects.
- **Several Liability Notice** – (where there is more than one insurer shown on the *Schedule*)
- **Sprinkler Maintenance Condition Precedent** – any automatic sprinkler system at the *Premises* must be in full and effective operation unless otherwise agreed by *Us*.
- **Subrogation**
- **Subrogation Apportionment**
- **Survey Requirements – Your Continuing Obligations** – *You* must implement and continue to implement during the whole currency of the *Policy*, and following any renewal, any survey requirement(s) as agreed by *Us*.
- **Unoccupancy Conditions Precedent** – *You* must give us prior notice (or within 7 days of discovery) when any permanent structure (or part thereof) at the *Premises* becomes *Unoccupied*. *We* may have the right to cancel the *Policy*, or if *We* agree to continue cover, there may be further conditions precedent, terms, exclusions, limits applied or additional *Premium* charged. *Defined Perils* will automatically be limited to Fire, Lightning, Explosion and Aircraft, unless *We* agree otherwise. Please refer to the *Policy* wording for full details of *Your* obligations regarding *Unoccupied Premises*, including the disconnection of services, draining down of tanks and pipes (including fuel tanks), security requirements including boarding up of the premises and sealing of letter boxes, removal of all combustible contents and materials, internal and external inspections of the *Premises*, carrying out necessary work to maintain security and keeping a record elsewhere of inspections. Any evidence of forced or attempted entry or malicious damage must be reported to *Us* within 7 days. *You* must implement any additional protections *We* require within the timescale specified. *You* must give *Us* prior notice and *We* must agree in writing before the start of any *Renovation*. If *You* are applying for planning permission/consent and it is refused or withdrawn by the Local Planning Authority, then cover will be terminated with immediate effect.
- **Winding-up/bankruptcy** – the *Policy* ceases with immediate effect if the *Business* is wound up or carried on by a liquidator/receiver etc. or put into receivership or discontinued. The *Policy* will also cease if *Your* interest ceases otherwise than by death or operation of law.

**In addition to the above, *We* may sometimes apply limitations or conditions precedent specific to *Your Business*. Additional conditions precedent may be applicable to the *Policy* and *You* will be advised of any such conditions or limitations when *We* provide a quotation or renewal terms. Please ensure that**



**You are familiar with the requirements made by any such conditions by referring to the relevant Condition Precedent in the *Policy Wording* or otherwise as provided.**