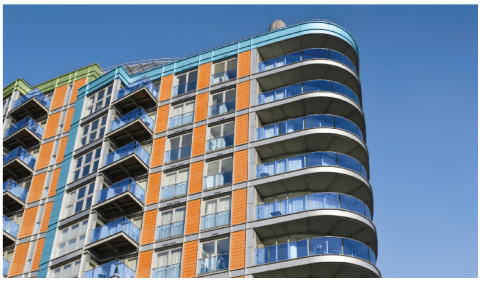
Flats

Policy



flats direct

covea Insurance

Thank you for choosing Covéa Insurance.

This is **Your** Commercial Property Owners Policy. It sets out the details of **Your** insurance contract with Covéa Insurance.

Your premium has been calculated upon the information shown in the Policy **Schedule** and recorded in **Your** Statement of Fact.

Please read the Policy and **Schedule** carefully to ensure that the cover meets **Your** requirements.

Please contact **Your** insurance broker if **You** have any questions or if **You** wish to make any adjustments.

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Claims

Commercial Care Line
0330 024 2266

In the event of **You** wishing to make a claim **We** would ask **You** to follow the procedures **We** have detailed. This will enable best response on **Our** part and **We** will endeavour to get things back to normal as quickly as possible. It will speed up the process if **You** could have **Your** Policy number to hand. This can be found on **Your Schedule** of insurance.

Covéa Insurance Commercial Care Line

- Dedicated telephone number – **0330 024 2266**
- Dedicated fax number – **0330 024 2623**
- In writing to – **Covéa Insurance Commercial Care Line, Norman Place, Reading, Berkshire RG1 8DA**

Helpline

As a Flats Direct Policy holder should **You** require advice or guidance on any legal problem relating to the business of managing the flats **You** may use the following 24-hour Telephone Helpline at any time within the period of this Policy.

The service is provided by free of charge by Cigna Insurance Services (Europe) Limited.

To take advantage of this service telephone **0330 024 2624** and quote **Your** policy number.

Advice given to **You** will be confirmed in writing where necessary.

Definitions

Certain words in the Policy have specific meanings. These meanings are defined below and are printed in bold type. The words carry the same meaning whenever they appear in the Policy, unless varied by a Definition in a particular Section, and are printed in bold to help You identify them

Business

The trade stated in the **Schedule**.

Company/We/Us/Our

Covea Insurance plc.

Damage

Accidental loss destruction or damage.

Employee

(a) any person under a contract of service or apprenticeship with **You**

(b) any person who is hired to or borrowed by **You**

(c) any person engaged under a work experience or training scheme

(d) any labour master or person supplied by him

(e) any labour only sub-contractor or person employed by him

(f) any self employed person working on a labour only basis under the control or supervision of **You**

(g) any voluntary worker

while working under **Your** control in connection with the **Business**.

Injury

Bodily injury including death or disease.

Insured/You/Your

The person(s) or Company named in the **Schedule**.

Period of Insurance

The Period of Insurance stated in the Policy **Schedule** or any subsequent period for which **You** pay and **We** accept the premium.

Pollution or Contamination

(a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and

(b) all **Injury** or **Damage** directly or indirectly caused by such pollution or contamination.

Premises

The buildings or part of the buildings situated at the address or addresses shown in the **Schedule** owned by **You** or for which **You** are legally responsible.

Definitions

continued

Proposal

The signed Schedules A and B and any additional information supplied to **Us** by or on behalf of **You** which form the basis of the contract of insurance embodied in this Policy.

Schedule

The document that specifies **Your** details, the **Premises**, the property insured and any Excesses, Endorsements and Conditions applicable. The Schedule shows the Sections of the Policy that are operative.

Territorial Limits

Great Britain Northern Ireland the Channel Islands and the Isle of Man.

Customer Information

Commercial Care Line
0330 024 2266

Registration and Regulatory Information

Insurance cover is provided by Covea Insurance plc.
Registered in England and Wales No. 613259.
Registered office: Norman Place, Reading, Berkshire RG1 8DA

Covea Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. **Our** Firm Reference Number is 202277. **You** can check this on the Financial Services Register by visiting the FCA's website www.fca.org.uk/register or by contacting the FCA on 0800 111 6768.

Complaints Procedure

It is always **Our** intention to provide a first class standard of service. However, **We** do appreciate that occasionally things go wrong. In some cases Flats Direct who arranged the insurance will be able to resolve any concerns, and **You** should contact them directly by writing to Flats Direct, Suite C10, Arena Business Centre, 9 Nimrod Way, Ferndown, Dorset BH21 7WH.

Alternatively, if **You** need to complain, please contact **Us** using the following details, quoting **Your** policy or claim number:

Customer Relations, Covéa Insurance,
Norman Place, Reading,
Berkshire RG1 8DA.
Telephone: 0330 221 0444
Website: www.coveainsurance.co.uk
Email: customer.relations-rdg@coveainsurance.co.uk

Full details of the Covéa Insurance Internal Complaints Procedure are detailed in **Our** leaflet 'Complaints Procedure' which is available on request or may be downloaded from **Our** website at www.coveainsurance.co.uk/complaints.

You may be eligible to refer **Your** complaint to the Financial Ombudsman Service. There are a few instances where they will not be able to assist and they will confirm if **Your** complaint is eligible when **You** contact them. Their contact details are:

Financial Ombudsman Service
Exchange Tower,
Harbour Exchange Square,
London E14 9SR
www.financial-ombudsman.org.uk
Email:
complaint.info@financial-ombudsman.org.uk

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to receive compensation from the scheme if **We** cannot meet **Our** obligations.

Customer Information

continued

Further information is available from:

Financial Services Compensation Scheme
10th Floor Beaufort House
15 St Botolph Street
London EC3A 7QU
Telephone 020 7741 4100
Email: enquiries@fscs.org.uk
www.fscs.org.uk

Choice of Law

The parties to an insurance contract are free to choose the law that will apply. Unless **We** agree in writing with **You** otherwise, this insurance shall be subject to the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where **You** have **Your** principal place of residence. If there is any dispute, the law of England and Wales shall apply.

How to Cancel Your Policy

If **You** do not want to accept the policy **You** have the right to cancel it within 14 days from the date of purchase of **Your** policy or the day **You** receive **Your** policy documentation, whichever is later. To do this You must return the policy documentation to **Flats Direct** when giving **Your** instruction to cancel.

If cover has not yet started a full refund will be given. If cover has started **We** will refund the premium for the exact number of days left on the policy, less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**. **We** will also do this if **You** want to cancel the policy within 14 days after the renewal date.

You may cancel the policy at any other time by contacting **Flats Direct**.

If **You** cancel **Your** policy after 14 days and a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**, **We** will not refund any part of the premium. If **You** have a Loan Agreement with Covéa Insurance, all outstanding monies must be paid to **Us** as described in **Your** Loan Agreement.

If no claims have been submitted and there have been no incidents that are likely to give rise to a claim during the current **Period of Insurance**, **We** will refund the premium for the exact number of days left on the policy less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**.

Customer Information

continued

For **Our** rights to cancel **Your** policy please refer to Conditions Applicable to all Sections, Item 8 – Our Rights to Cancel the Policy, in this Policy booklet.

How we use your Information

The personal information, provided by **You**, is collected by or on behalf of Covéa Insurance and may be used by **Us**, **Our** employees, agents and service providers acting under **Our** instruction for the purposes of insurance administration, underwriting, claims handling and for research, or statistical purposes.

We may also share **Your** information with reinsurers and regulators, as required by law.

From time to time **We** may need to undertake some of the processing of **Your** data in countries outside of the European Economic Area, and in such cases **We** will ensure that there is an agreement in place which gives equivalent assurances as found in the Data Protection Act 1998.

We will not use **Your** information or pass it on to any other person for the purposes of marketing further products or services to **You**.

We will collect sensitive information when dealing with **Your** Policy, **We** will however only collect information that is relevant to **Your** Policy, its administration or claims handling.

Your personal information will be kept secure at all times.

Fraud prevention and detection

In order to prevent or detect fraud **We** will check **Your** details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes. **We** may also conduct credit reference checks in certain circumstances. **You** can find out further details explaining how the information held by fraud prevention agencies may be used or in which circumstances **We** conduct credit reference checks and how these checks might affect **Your** credit rating by contacting Covéa Insurance.

Disclosure of other people's personal information

You should show this notice to anyone whose personal information **You** provide to **Us**. **You** must ensure that any such information **You** supply relating to anyone else is accurate and that **You** have obtained their consent to the use of their data for the purposes set out above.

Customer Information

continued

Your rights

Under the Data Protection Act 1998 **You** have the right of access to the personal information held about **You** by Covéa Insurance. **You** can exercise this right by contacting **Us**. **We** will make a charge of **£10** for dealing with these requests.

You have the right to request that **We** correct any inaccuracies in the personal information **We** hold about **You**. Please contact **Your** insurance broker, or Covéa Insurance, if **Your** personal information needs updating.

Consent

By providing **Us** with information, **You** also provide **Us** with **Your** consent and that of any other person whose information **You** provide, to the personal information being used for the purposes set out above.

How to contact us

If **You** would like some more detailed information on how **We** share **Your** personal information.Please visit www.coveainsurance.co.uk/dataprotection.

If **You** have any concerns about **Our** use of **Your** information please write to Customer Relations, Covéa Insurance, Norman Place, Reading, Berkshire RG1 8DA. Telephone: 0330 221 0444. If **You** contact Covéa Insurance by telephone **Your** call may be recorded for training and evidential purposes.

Employers' Liability Tracing Office

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

This information will be made available in a specified and readily accessible form as required by the [Employers' Liability Insurance: Disclosure By Insurers Instrument 2010]. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

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

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and

Customer Information

continued

- to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

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

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

Introduction

Each Section of this Policy, the **Schedule** and any Endorsements, together with this Introduction, Customer Information and the Definitions, Conditions applicable to all Sections and Exceptions applicable to all Sections shall be read as one document.

Any word or expression given a specific meaning in:

1. the **Schedule**, and Policy Endorsements, or this Introduction, the Customer Information and the Definitions, Conditions and Exceptions shall have the same meaning throughout the Policy unless **We** state otherwise

2. an individual Section or any Section Endorsements shall only have the same meaning throughout such Section or Endorsement unless **We** state otherwise.

Any such word or expression given a specific meaning shall be highlighted with a leading capital letter and in bold text within the Policy wording.

In return for **You** having paid or agreed to pay the premium for the **Period of Insurance**, **We** will indemnify **You**, subject to the terms contained in or endorsed on the Policy, in respect of loss **Damage** or liability or pay other benefits which fall within the operative Sections of this Policy, provided that the loss, **Damage** or injury which gives rise to the claim occurs (or in the case of the Employer's Liability Section is caused) during the **Period of Insurance** and in connection with the **Business**.

The **Schedule** shows the Sections of the Policy that are operative.

IMPORTANT

This Policy is a legal contract.

You have a duty to make a fair presentation of the risk which is covered by this Policy. Therefore **You** should ensure that any information **You** have provided to **Us** and the content of any application form, declaration and / or Statement of Fact is accurate and complete. Where **You** have provided **Us** with information which relates to matters of **Your** expectation or belief, it does not matter if such information turns out to be inaccurate provided that **You** acted in good faith when **You** provided **Us** with such information. If **You** do not comply with **Your** duty to make a fair presentation of the risk, **Your** Policy may not be valid or the Policy may not cover **You** fully or at all.

You must also tell **Us** about any facts or changes which affect **Your** insurance and which have occurred either since the Policy started or since the last renewal date.

Introduction

continued

If **You** are not sure whether certain facts are relevant please ask **Your** insurance broker. If **You** do not tell **Us** about relevant changes, **Your** Policy may not be valid or the Policy may not cover **You** fully or at all.

You should keep a written record (including copies of letters) of any information **You** give **Us** or Flats Direct.

Policy Cover

Section 1A – Buildings

Definitions

Buildings

Buildings including permanent outbuildings extensions annexes interior decorations fixtures and fittings walls gates fences yards car parks roads pavements patios terraces paths drives cess pits and septic tanks swimming pools squash and tennis courts gymnasia used by tenants for domestic and leisure purposes.

Contents

Furniture furnishings domestic appliances and all other property belonging to **You** or for which **You** are legally responsible.

Declared Value

Your assessment of the cost of reinstatement of the property insured arrived at in accordance with the Claims Settlement clause at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) including in so far as the insurance by the item provides due allowance for

(i) the additional cost of reinstatement to comply with local authority requirements

(ii) professional fees

(iii) removal of debris costs.

Cover

The **Buildings** described in the Policy **Schedule** belonging to **You** or for which **You** are legally responsible are covered against **Damage**.

Extensions

Architects & Surveyors Fees

Following **Damage** covered by this Section **We** will also pay for architects surveyors consultants and legal fees necessarily incurred in the reinstatement of the **Buildings** but not for preparing any claim.

Capital Additions

The Insurance by each Item of this Section on **Buildings** extends to cover alterations and improvements to the **Buildings** but not in respect of appreciation in value during the current **Period of Insurance** provided that

(a) at any one situation this cover will not exceed **10%** of the total of the Sum Insured on **Buildings** or **£250,000** whichever is the less

(b) **You** undertake to give particulars of such **Buildings** each six months and to effect specific insurance on them retrospective to the date of the commencement of **Our** liability.

Contracting Purchaser

Where **You** contract to sell **Your** interest in any **Buildings** insured by this Section the contracting purchaser who completes the purchase has the benefit of the insurance by this Section up to the date of completion if the **Buildings** are not otherwise insured and without prejudice to the rights and liabilities of **You** or **Us**.

Policy Cover

Section 1A – Buildings

continued

Day One (non adjustable basis)

This Extension applies to each item stated in the **Schedule** in respect of **Buildings**

(a) **You** having stated in writing the **Declared Value** the premium has been calculated accordingly

(b) at the inception of each **Period of Insurance** **You** will notify **Us** of the **Declared Value** of the property insured by each of the said items and in the absence of such declaration the last amount declared by **You** (increased in accordance with the General Building Cost Index published by the Buildings Cost Information Service of the Royal Institution of Chartered Surveyors (or an alternative index selected by **Us**)) will be taken as the **Declared Value** for the ensuing **Period of Insurance**

(c) where because of the provisions of the Claims Settlement clause no payment is to be made beyond the amount which would have been payable had the Extension not been operative the Sum Insured will be limited to the **Declared Value(s)** shown in the **Schedule**

(d) in respect of each item to which this Extension applies the 'Under Insurance' clause is amended to read

'If at the time of **Damage** the **Declared Value** of the property insured by any item is less than the cost of reinstatement at the inception of the **Period of Insurance** then **Our** liability in respect of such **Damage** will be limited to the proportion that the **Declared Value** bears to the cost of reinstatement'.

Drain Cleaning

The insurance by this Section extends to cover expenses necessarily incurred in clearing cleaning and/or repairing drains gutter sewers and the like for which **You** are responsible in consequence of insured **Damage** provided that **Our** liability shall not exceed **£25,000** any one occurrence.

Fire Extinguishing Appliances

We will pay the reasonable costs incurred by **You** for

(a) refilling fire extinguishing appliances

(b) replacing used sprinkler heads

(c) refilling sprinkler tanks

in consequence of insured **Damage** provided that **Our** liability shall not exceed **£5,000** any one occurrence.

Communal Contents

The insurance by this Section extends to cover the **Contents** of the insured **Building(s)** for which **You** are responsible whilst contained within the **Building(s)** insured by this section provided that **Our** liability shall not exceed the amount shown in the **Schedule** any one occurrence or **£2,500** any one article.

Policy Cover

Section 1A – Buildings

continued

Landscape Gardens

The insurance by this Section extends to cover costs and expenses incurred by **You** in making good destruction of or **Damage** to landscaped gardens or grounds at the **Premises** caused by the emergency services defending the property insured against insured **Damage** provided that **Our** liability shall not exceed **£10,000** any one occurrence.

Metered Water or Heating Oil

The insurance by this Section extends to include additional meter water or heating oil charges incurred by **You** as a result of insured **Damage** provided that **Our** liability shall not exceed **£2,500** in any one **Period of Insurance**.

The amount payable shall be ascertained by comparing the charge made by the Water Suppliers on their account for the period during which the **Damage** occurred with the normal charge in the same period in a previous year adjusted for any other relevant factors affecting **Your** consumption of water during such period.

Mortgagee

The interest of a mortgagee in this insurance shall not be prejudiced by any act or neglect of the mortgagor or occupier of any **Building** insured by this Section whereby the risk of **Damage** is increased without the authority or knowledge of the mortgagee provided that the mortgagee immediately on becoming aware thereof gives notice to **Us** and pays an additional premium if required.

Non Invalidation

The insurance by this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of **Damage** is increased without the authority or knowledge or beyond the control of **You** provided that **You** immediately on becoming aware thereof gives notice to **Us** and pays an additional premium if required.

Public Authorities

Following **Damage** covered by this Section **We** will also pay for the additional cost of reinstatement of the **Buildings** incurred solely to comply with any regulations arising out of an Act of Parliament or with bye-laws of any municipal or local authority excluding

(i) costs incurred in complying with such regulations or bye-laws under which notice has been served upon **You** prior to the happening of the **Damage** or in respect of undamaged parts of the **Buildings**

(ii) the amount of any rate tax duty development or other charge or assessment which may become payable following compliance with such regulations or bye-laws.

Removal of Debris

Following **Damage** covered by this Section **We** will also pay for costs incurred with the

Policy Cover

Section 1A – Buildings

continued

consent of **Us** in removing debris dismantling demolishing shoring up or propping that part of the **Buildings** destroyed or damaged.

Removal of Wasps' Nests

The insurance by this Section extends to cover costs incurred in removing wasps' nests from the **Buildings** described in the Policy **Schedule** provided that **Our** liability shall not exceed **£1,000** any one occurrence.

We will not pay for the costs incurred in removing wasps' nests which were already in or attached to the **Buildings** prior to the inception of this Policy.

Replacement of Locks

The insurance by this Section extends to cover costs incurred as a result of the necessary replacement of locks at the **Buildings** described in the Policy **Schedule** following theft of keys from **Your** own business premises or from the home of **You** or any director partner or **Employee** authorised by **You** to hold such keys provided that **Our** liability shall not exceed **£5,000** any one occurrence.

Temporary Removal

(a) the cover in respect of **Contents** is extended to include such property whilst temporarily removed from the **Premises** for the purposes of cleaning renovation repair or other similar purposes to any other premises within the United Kingdom or in transit by road rail or inland waterway

(b) the cover in respect of **Contents** is also extended to include property as therein defined transferred between **Premises** described in the **Schedule** including transit by road rail or inland waterway between such **Premises**

Provided that **Our** maximum liability in respect of any one incident of **Damage** shall not exceed **15%** of the Contents Sum Insured shown in the **Schedule** for any one occurrence and **£1,000** any one article

Both (a) and (b) above are subject to:

(i) such property not being more specifically insured

(ii) the Excess applying under this Section

(iii) the property not being removed for more than 90 consecutive days.

Temporary Repairs

The insurance by this Section extends within the limits of the Sums Insured to cover costs incurred with the prior consent of **Us** for weatherproofing and boarding up windows and doors following insured **Damage**.

Policy Cover

Section 1A – Buildings

continued

Trace and Access

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

Provided that **Our** liability under this Extension will not exceed **£5,000**.

Unauthorised use of Electricity Gas or Water

The insurance by each item on **Buildings** extends to include the cost of metered electricity gas or water for which **You** are legally responsible arising from its unauthorised use by persons taking possession or occupying the **Buildings** without **Your** authority

Provided that

(a) **Our** liability under this Extension for any one loss will not exceed **£10,000**

(b) **You** shall take all practical steps to terminate such unauthorised use as soon as it is discovered.

Additional Property Covered

This Section extends to cover **Damage** to the following property if it is owned by **You** or **You** are legally responsible for it.

Television Aerials

Radio and television receiving aerials satellite aerials their fitting or masts at the **Buildings** specified in the Policy **Schedule**.

Underground Pipes and Cables

Underground water gas electricity sewage drainage or telephone pipes wires or cables extending from the **Buildings** specified in the Policy **Schedule** to the public main.

Limits of Liability

Our liability during any one **Period of Insurance** shall not exceed in respect of each Item specified in the Policy **Schedule** on **Buildings** the sum insured set against it.

Automatic Reinstatement of Sum(s) Insured after loss

In the absence of written notice by **You** or **Us** to the contrary within 30 days of the insured **Damage** the Sum Insured on any **Building** which sustains **Damage** shall not be reduced by the amount of any loss in consideration of which **You** shall pay the appropriate extra premium on the amount of the loss from the date thereof to

Policy Cover

Section 1A – Buildings

continued

the expiry of the **Period of Insurance** provided that **You** shall take immediate steps to effect such additions to or variations in the protections of the property insured as **We** may require.

Claims Settlement

Following **Damage** to **Buildings** covered by this Section **We** will pay the cost of reinstating the **Buildings** equal to their condition when new provided that

(a) this is carried out without delay and in the most economical manner

(b) when any **Building** is partially damaged **Our** liability shall not exceed the reinstatement cost that would have been incurred had it been wholly destroyed

(c) no payment will be made until reinstatement has been carried out

(d) if the damaged **Building** is not reinstated a loss will be settled after allowance for depreciation.

Underinsurance

If at the time of **Damage** the total of the sums insured on **Buildings** specified in the Policy **Schedule** is less than **85%** of the reinstatement cost of the **Buildings** covered by this Section **We** shall bear only that proportion of the **Damage** which the total of the Sums Insured on **Buildings** bear to the total reinstatement cost.

Exceptions

We will not be liable under this Section for **Damage**

1. to **Buildings** in course of construction or erection and materials or supplies in connection with such **Buildings**

2. to blinds or signs not securely fixed to the **Buildings**

3. to fences and gates caused by storm or flood

4. caused by

(a) theft or attempted theft not involving forcible and violent means

(b) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration wear and tear or frost

(c) corrosion rust dampness dryness wet or dry rot shrinkage collapse cracking evaporation contamination pollution change in temperature colour texture or finish vermin insects marring or scratching

(d) subsidence ground heave or landslip or the normal settlement or bedding down of new structures

5. attributable solely to change in the water table level.

Policy Cover

Section 1B – Glass

Definition

Glass

All fixed glass (including its framework lettering or any intruder alarm foil attached to it) in windows doors and fanlights.

Cover

In the event of **Damage** to **Glass** in the **Buildings** specified in the Policy **Schedule** by any accident or misfortune **We** will indemnify **You** by **Our** option replacing or paying the amount of the **Damage**

In addition **We** will pay the cost of any necessary boarding up pending replacement.

Exceptions

We will not be liable under this Section for **Damage**

(a) caused by scratching or chipping

(b) to **Glass** already cracked at the commencement of the insurance by this Section.

Policy Cover

Section 1C – Owners' Liability to the Public

Cover

1. in the event of

   (a) **Injury** to any person other than an **Employee**

   (b) **Damage** to property other than property belonging to **You** or in the custody or control of **You** or any **Employee**

   happening during the **Period of Insurance** in the **Territorial Limits** and arising from ownership by **You** of the **Buildings** described in the Policy **Schedule** or any gardens car parks drives and footpaths on the same site **We** will subject to the Limit of Liability indemnify **You** against legal liability for damages and claimant's costs and expenses in respect of such **Injury** or **Damage**

2. if the **Insured** comprises more than one party (which terms in the case of a partnership includes each individual partner) **We** will indemnify each in the terms of this section against liability incurred to the other as if such other was not included as an **Insured**

3. **We** will in addition pay

   (a) solicitors' fees for representation at any Coroner's Inquest of fatal inquiry or Court of Summary Jurisdiction in respect of any event which may be the subject of indemnity under 1 above

   (b) costs and expenses incurred with **Our** written consent.

Indemnity to Other Persons

We will indemnify in the terms of this Section

1. if **You** so request any director or **Employee** in respect of liability for which **You** would have been entitled to indemnity if the claim had been made against him

2. the legal personal representatives of any person entitled to indemnity under this Section in respect of liability incurred by that person

If **We** are liable to indemnify more than one party the total amount of indemnity to all such parties including **You** shall not exceed the Limit of Liability.

Additional Cover

1. **We** will indemnify **You** in the terms of this Section against legal liability incurred by **You** under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of **Injury** or **Damage** occurring within a period of seven years from the expiry or cancellation of this Policy provided that **We** shall not be liable under this extension if **You** are entitled to indemnity under any other insurance

Policy Cover

Section 1C – Owners' Liability to the Public

continued

2. **We** will indemnify **You** in the terms of this Section in respect of **Injury** or **Damage**

   (a) caused by any motor vehicle which is owned by or in the possession of or being used by or on behalf of **You** in connection with the **Business** which is not licensed for road use and which is being used in circumstances which do not require insurance or security under any road traffic legislation

   (b) arising during the act of loading or unloading a motor vehicle or the bringing to or taking away of a load from such vehicle in the course of the **Business**

   provided that **You** are not more specifically insured under any other policy

3. **We** will indemnify **You** and no other person in the terms of this Section in respect of the use of any motor vehicle not the property of or provided by **You** and being used in the course of the **Business**

   We will not be liable in respect of

   (a) **Damage** to such vehicle

   (b) **Injury** or **Damage** arising while such vehicle is being driven by **You**

   provided **We** shall not be liable under this extension if **You** are entitled to indemnity under any other insurance.

Limit of Liability

£5,000,000 in respect of any claim or number of claims arising out of one cause provided that **Our** liability in any one **Period of Insurance** in respect of **Injury** or **Damage** arising directly or indirectly from **Pollution or Contamination** which is deemed to have occurred during any such Period shall not exceed **£1,000,000**.

Exceptions

We shall not be liable in respect of

1. any liability for any amount in respect of liquidated damages fines or penalties which attaches solely because of a contract

2. **Injury** or **Damage** which results from any deliberate act or omission of **You** or **Your** partners directors or managerial **Employees** and which could reasonably have been expected having regard to the nature and circumstances of such act or omission

   This Exception shall also apply in respect of any deliberate act or omission of any other person claiming indemnity but only so far as indemnity to such person is concerned

Policy Cover

Section 1C – Owners' Liability to the Public

continued

3. **Injury** or **Damage** which arises directly or indirectly from **Pollution or Contamination** unless such **Pollution or Contamination** is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**

   For the purposes of this Exception all **Pollution or Contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place

4. Liability arising from the ownership or possession or use by or on behalf of **You** of any mechanically propelled vehicle or mobile plant

   (a) which is licensed for road use or

   (b) for which compulsory motor insurance or security is required or

   (c) which is more specifically insured

   Provided always that this Exception shall not apply in respect of

   (i) liability not more specifically insured under any other policy arising during the act of loading or unloading mechanically propelled vehicles or mobile plant or the bringing to or the taking away of a load from such vehicles or such plant

   (ii) the use of any mechanically propelled vehicle or mobile plant solely as a tool of trade unless more specifically insured or unless compulsory motor insurance or security is required

5. Liability arising from the ownership or possession or use by or on behalf of **You** of craft designed to travel through air or space hovercraft or watercraft other than barges motor launches and non-powered craft used on inland waterways

6. Liability arising from Products

7. **Damage** to that part of any property upon which **You** or any servant or agent of **You** is or has been working where the loss or **Damage** is the direct result of such work.

Policy Cover

Section 2 – Rent

Definitions

Rent

Periodic payments made to **You** as lessors of **Buildings** in respect of rent received or receivable from the letting of **Buildings**.

Cover

Following **Damage** covered by Section 1A of this Policy **We** will pay for loss of **Rent** resulting from such **Damage** in respect of **Buildings** insured under Section 1A.

Extensions

Prevention of Access (Rent)

The insurance by each Item on **Rent** extends to include loss of **Rent** resulting from **Damage** to property in the vicinity of the **Buildings** to which the **Rent** Item relates by a cause covered under this Section which hinders or prevents access to such **Buildings** but excluding **Damage** to the property of any supply undertaking from which electricity gas water or telecommunications services are provided to the **Buildings**.

Alternative Accommodation

In the event of **Damage** to **Buildings** covered by Section 1A of this Policy resulting in

(a) a residential portion of the **Buildings** being uninhabitable

(b) access being prevented to a residential portion of the **Premises**

this Section extends within the Limit of Liability to include the reasonable additional cost of alternative residential accommodation during the period necessary to restore their respective parts to a habitable condition.

Limits of Liability

Our liability during any one **Period of Insurance** shall not exceed **33.33%** of the declared value on **Buildings** specified in the Policy **Schedule**.

Claims Settlement

Following **Damage** to **Buildings** covered by Section 1A **We** will pay in respect of any Item on **Rent**

(a) the amount by which the **Rent** received by **You** falls short in comparison with the **Rent** which would have been received had the **Damage** not occurred

(b) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in **Rent** but not exceeding the amount of the loss of **Rent** which would otherwise have been payable under (a) above

less any savings in respect of expenditure payable out of **Rent** which reduces or ceases in consequence of the **Damage**.

Policy Cover

Section 3 – Employers' Liability

Cover

1. in the event of **Injury** to an **Employee** happening during the **Period of Insurance** in the **Territorial Limits** and caused in connection with the **Business** **We** will subject to the Limit of Liability indemnify **You** against legal liability for damages and claimants' costs and expenses in respect of such **Injury** and other costs and expenses incurred with their written consent

2. if the **Insured** comprises more than one party (which term in the case of a partnership includes each individual partner) **We** will indemnify each in the terms of this Section against liability incurred to the other as if such other was not included as an **Insured**

3. **We** will in addition pay solicitors' fees for representation at any Coroner's Inquest or fatal inquiry or Court of Summary Jurisdiction in respect of any event which may be the subject of indemnity under 1 above.

Indemnity to Other Persons

We will indemnify in the terms of this Section

1. if **You** so request any partner director or **Employee** in respect of liability for which **You** would have been entitled to indemnity if the claim had been made against him

2. the legal personal representatives of any person entitled to indemnity under this Section in respect of liability incurred by that person.

Additional Cover

We will indemnify **You** or at the request of **You** any partner director or **Employee** of **You** against legal costs and expenses incurred in the defence of any criminal proceedings brought for a breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the **Period of Insurance** including legal costs and expenses incurred with the consent of **Us** in an appeal against conviction arising from such proceedings provided that **We** shall not be liable for the payment of fines or penalties.

Policy Cover

Section 3 – Employers' Liability

continued

Limit of Liability

£10,000,000 in respect of any claim or numbers of claims arising out of one cause for **Injury** to **Employees**.

Special Condition

Other Insurances

If the liability which is the subject of a claim under this Section is or would but for the existence of this Section be insured under any other insurance **We** shall not be liable under this Section except to the extent of any excess beyond the amount payable under such other insurance had this Section not been effected.

Rights of Recovery

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law enacted in Great Britain Northern Ireland the Isle of Man or the Channel Islands relating to the compulsory insurance of liability to **Employees** but **You** shall repay to **Us** all sums paid by **Us** which **We** would not have been liable to pay but for the provisions of such law.

Exceptions

We will not be liable in respect of

1. **Injury** arising in connection with work on offshore installations or transit thereto or therefrom
2. **Injury** arising when the **Employee** is
   - **(i)** carried in or upon a vehicle
   - **(ii)** entering or getting on to or alighting from a vehicle

   in circumstances where any road traffic legislation requires insurance or security.

Exceptions applicable to all Sections

Commercial Care Line
0330 024 2266

This Policy does not cover:

1. Excess

See Policy **Schedule**.

2. Radioactive Contamination

Damage to any property or any loss or expense resulting or arising therefrom or any legal liability directly or indirectly caused by or contributed to by or arising from

(a) ionising radiation 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

(c) but in respect of **Injury** to **Employees** under SECTION 3 – EMPLOYERS' LIABILITY this Exception shall apply only when **You** under a contract have either undertaken to indemnify or to assume the liability of another party in respect of such **Injury**.

3. Terrorism

Liability loss or **Damage** caused directly or indirectly by an act of terrorism as defined in the UK Terrorism Act 2000 is excluded except where **We** need to provide the minimum insurance required by Employers' Liability legislation.

4. Sonic Boom

Damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

5. War Risks

Any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power.

6. Confiscation

Confiscation nationalism or requisition by order of any government public municipal local or customs authority.

7. Asbestos

THE FOLLOWING EXCEPTION DOES NOT APPLY TO SECTION 3

Loss cost expense liability for **Injury** loss or **Damage** directly or indirectly arising out of or resulting from the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

Exceptions applicable to all Sections

continued

In respect of liability for property **Damage**, only that part of any such loss which is directly or indirectly arising out of or resulting from the manufacture mining processing distributions testing remediation removal storage disposal sale use of or exposure to asbestos is excluded by the foregoing.

8. Date Change and Computer Viruses

Any loss **Damage** or liability arising from:

(a) the failure of a computer chip computer software or any other electronic equipment to recognise a true calendar date

(b) computer viruses.

Conditions applicable to all Sections

Commercial Care Line
0330 024 2266

1. Reasonable Precautions

You must take or cause to be taken all reasonable precautions to prevent or minimise **Injury** or **Damage**.

2. Alteration in Risk

You or Flats Direct must tell **Us** immediately if during the **Period of Insurance** there is any alteration in risk or to the facts which **You** disclosed when **You** took out this Policy, which materially affects the risk of injury, loss, **Damage** or liability which would fall within the Policy cover. This includes but is not limited to alterations to the **Business** or the **Premises**.

When **You** tell **Us** about an alteration in risk, **We** may apply additional terms and conditions to this Policy (including but not limited to premium) or, if the risk is unacceptable to Us, **We** may cancel the Policy in accordance with Conditions applicable to all Sections – Condition 8 (Our Rights to Cancel the Policy).

If as a result of an alteration **You** are due a refund of premium, amounts under **£10** (plus the prevailing rate of Insurance Premium Tax) as stated on Your Policy **Schedule** will not be refunded, to cover administration costs.

If **You** fail to tell **Us** about an alteration in risk, **We** may:

(a) terminate the Policy back to the date when the alteration occurred, if **We** would have cancelled the Policy had **You** told **Us** of the alteration in risk;

(b) proportionately reduce the amount payable in respect of a claim; and/or

(c) treat the Policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the Policy had **You** told **Us** of the alteration in risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the alteration in risk occurred.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had **You** told us about the alteration in risk. For example, if the premium which **You** actually paid is **70%** of the premium **We** would have charged, **We** will only pay **70%** of any claim.

3. Change of Risk or Interest

This Policy shall be avoided if:

(a) **Your** interest ceases other than by death

Conditions applicable to all Sections

continued

(b) the **Business** be wound up or carried on by a liquidator or receiver or permanently discontinued

at any time after the commencement of this insurance unless **We** have accepted the change.

Nothing contained in this Policy shall give any right against **Us** to any person other than **You** except to a transferee approved by **Us**.

4. Claims Procedure and Requirements

It is a condition precedent to **Our** liability that in the event of circumstances giving rise to or likely to give rise to a claim **You** shall

(a) report it to **Us** immediately and furnish in writing full details of **Injury** or **Damage** as soon as possible but at the latest within seven days if caused by riot civil commotion or malicious persons

(b) report it to the Police immediately in the event of **Damage** by malicious persons theft or vandalism

(c) at **Your** own expense give all evidence information and assistance as required

(d) send every writ or other document to **Us** immediately and not acknowledge it nor admit liability nor promise payment to other parties without **Our** written consent

(e) permit **Us** at **Our** own discretion and expense to take over and conduct the defence or settlement of any claim and to take all necessary steps for enforcing any rights against any other party in the name of **You** before or after **Your** claim.

5. Fraudulent Claims

For the purposes of this Condition the definition of '**You** / **Your**' will also include any person who is entitled to benefit from the Policy to the extent that a claim is made by or on their behalf.

If **You** or anyone acting on **Your** behalf makes a claim which is in any way fraudulent **We**:

(a) will not pay the claim;

(b) may recover from **You** any sums already paid by **Us** in respect of the claim; and

(c) may notify **You** that **We** are treating this Policy as having terminated with effect from the time of the fraudulent act.

If **We** do treat this Policy as having terminated, **You** will have no cover under this Policy from the date of termination and will not be entitled to any refund of premium.

Where a fraudulent claim is made by or on behalf of a person who is not the Insured, this condition applies only to that person's claim and references to 'this Policy' should be read

Conditions applicable to all Sections

continued

as if they were references to the cover for that person alone and not to the Policy as a whole.

Fraudulent claims include but are not limited to:

(a) making a claim which is fraudulent, fictitious or known to be false

(b) intentionally exaggerating or inflating a claim

(c) supporting a claim with false or forged documents, information or statements

(d) wilfully causing loss, **Damage** or injury

6. Our Rights

(a) **We** may enter any **Premises** where **Damage** has occurred and take possession of or require to be delivered to **Us** any property insured and deal with it in any reasonable manner

(b) **We** are entitled to take over and conduct the defence or settlement of any claim at **Our** discretion

(c) Under SECTION 1C – OWNERS' LIABILITY TO THE PUBLIC and SECTION 3 – EMPLOYERS' LIABILITY **We** may at any time pay the limit of liability (after the deduction of any sum or sums already paid) or any less amount for which such claim or claims can be settled and shall then relinquish the conduct and control of and be under no further liability in respect thereof except for the payment of costs and expenses incurred prior to the date of such payment.

7. Other Insurances

If the **Damage** or liability which is the subject of a claim under this Policy is covered by any other insurance **We** will not pay more than **Our** rateable proportion.

8. Our Rights To Cancel The Policy

We or any agent appointed by **Us** and acting with **Our** authority have the right to cancel **Your** Policy, where there is a valid reason for doing so. **We** will give **You** fourteen days notice of cancellation in writing, by recorded delivery, to the latest address **We** have for **You** and will set out **Our** reason for cancellation in **Our** letter.

Valid reasons may include but are not limited to:

1. not

(a) paying a premium when it is due

(b) co-operating with **Us**, or sending **Us** information or documentation that materially affects **Our** ability to process the Policy or **Our** ability to defend **Our** interests

Conditions applicable to all Sections

continued

(c) exercising **Your** duty of care as required under the "Reasonable Precautions" Condition in the Conditions applicable to all Sections of this policy booklet.

and failing to put this right when **We** ask **You** to by sending **You** seven days written notice to **Your** latest address.

2. use of threatening or abusive behaviour or language, or intimidation or bullying of **Our** staff or suppliers.

If **We** cancel **Your** Policy, **We** will refund the premium for the exact number of days left on the Policy less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your Schedule**.

If a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**, **We** will not refund any part of the premium.

If **You** have a loan agreement with **Us** to pay for **Your** insurance, outstanding monies may be owed when **Your** Policy is cancelled. They must be paid to **Us** as described in **Your** loan agreement.

For **Your** rights to cancel the Policy please refer to Customer Information "How to Cancel Your Policy" of this policy booklet.

9. Unoccupancy

You shall give notice to **Us** when after the commencement of this insurance any **Buildings** or part of a **Building** insured by this Policy becomes unoccupied or untenanted and where the period of unoccupancy exceeds 30 consecutive days continuance of cover in respect of such **Buildings** under Sections 1 and 2 is conditional on **Us** agreeing in writing to maintain cover during the period the **Building** or part of a **Building** remains unoccupied or untenanted.

10. Tenants' Subrogation Waiver

Following **Damage** to any **Buildings** covered by Section 1 of this Policy **We** agree to waive any rights remedies or relief to which they might become entitled under Section 1 by subrogation against any tenant of such **Buildings** provided that

(a) the **Damage** did not result from a criminal fraudulent or malicious act of the tenant and

(b) the tenant contributes to the cost of insuring the **Buildings** against the event which caused the **Damage**.

11. Payment by Instalments

If the premium is paid or payable by monthly instalments the Policy shall remain an annual contract the date of payment and the amount

Conditions applicable to all Sections

continued

of instalments are governed by the terms of the credit agreement if an instalment is not received by the due date then subject to the Consumer Credit Act 1974 (if applicable) the credit agreement and the Policy will be cancelled immediately.

12. Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions where any difference is by this condition to be referred to an arbitrator the making of an award shall be a condition precedent to any right of action against **Us**.

13. General Interest Clause

The interests of third parties for which **You** are required to include on the Policy under the terms of any mortgage are automatically noted.

14. Fair Presentation of the Risk

You must make a fair presentation of the risk when **You** first take out this Policy and also whenever **You** renew it or ask **Us** to change **Your** cover.

If **You** fail to make a fair presentation of the risk including failing to disclose or misrepresenting a material fact, or disclosing material facts to **Us** in a way which is not clear and accessible:

We may avoid this Policy and refuse all claims where:

(a) such failure was deliberate or reckless; or

(b) **We** would not have entered into this Policy on any terms had **You** made a fair presentation of the risk.

Should **We** avoid this Policy **We**:

(a) Shall treat the Policy as if it had not existed from the start date, the renewal date, or the date when **You** asked **Us** to change **Your** cover, depending on when the failure to make a fair presentation of the risk occurred

(b) shall return the premium paid for the period for which the Policy is treated as not having existed unless the failure to make a fair presentation of the risk was deliberate or reckless

(c) may deduct from any return of premium due to **You** any monies already paid in respect of claims falling within the period for which the Policy is treated as not having existed or require You to repay such claims.

Provided that any failure to make a fair presentation of the risk is not deliberate or

Conditions applicable to all Sections

continued

reckless, if **We** would have entered into or renewed this Policy, or agreed to make changes to **Your** cover on different terms had **You** made a fair presentation of the risk, **We** may:

(a) proportionately reduce the amount payable in respect of a claim; and/or

(b) treat the Policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the Policy had **You** made a fair presentation of the risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the Policy started, was renewed or when changes were made to **Your** cover, depending on when **You** failed to make a fair presentation of the risk.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had **You** made a fair presentation of the risk. For example, if the premium which **You** actually paid is **70%** of the premium **We** would have charged, **We** will only pay **70%** of any claim.

Where this Policy provides benefits to individuals who would, if they had taken out similar insurance in their own name, have done so for purposes wholly or mainly unconnected with their trade, business or profession, **We** will not rely on this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to that particular individual, unless the individual (or **You** on their behalf) makes a careless misrepresentation, in which case **We** may rely on this condition as against that particular individual as if a separate insurance contract had been issued to them leaving the remainder of the Policy unaffected.

15. Terms Not Relevant to Actual Loss

If payment of a claim is conditional upon compliance with any term of this Policy **We** will not pay for any claim where the term has not been complied with except where the term concerned:

(a) is operative only in connection with particular premises or locations;

(b) is operative only at particular times; or

(c) is intended to reduce the risk of particular types of injury, loss, **Damage** or liability

where **We** will pay for claims in respect of which **You** can prove that non-compliance with the term could not have increased the risk of the injury, loss, **Damage** or liability which occurred.

How to make a claim

Commercial Care Line
0330 024 2266

In the event of an incident occurring which may give rise to a claim under this Policy:

1. take all necessary and reasonable precautions and emergency action to prevent further **Injury** Loss or **Damage** occurring

   Telephone the Covéa Insurance Commercial Care Line on 0330 024 2266

2. notify the Police of any incident involving Theft Malicious Damage or Vandalism

3. notify Commercial Care Line as soon as possible giving full details of the incident

   We will

   (i) check the Policy cover to ascertain as far as practical at this stage that a valid claim exists

   (ii) appoint a Loss Adjuster at **Our** discretion

   At least two repair estimates should be obtained

4. send to **Us** immediately upon receipt any writ summons or other legal process issued or commenced against **You** and do not negotiate admit or repudiate any claim without **Our** written consent

5. retain all damaged property/salvage for inspection **You** may not however abandon any property or salvage to **Us**

6. **We** shall be entitled to

   (i) enter any of the **Buildings** where Bodily **Injury** Loss or **Damage** has happened and take and keep possession of the insured property and deal with the salvage in a reasonable manner

   (ii) negotiate defend or settle in **Your** name and on **Your** behalf any claim made against **You** as **We** deem appropriate

   (iii) prosecute in **Your** name for **Our** own benefit any claim against any other person in respect of any amount paid or payable.

Further Information

Further Information from Flats Direct

If **You** have any questions or require general advice in relation to **Your** Policy, please call Flats Direct on 0800 731 6242.

Notes

Notes

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