



**ARO**

Product **Commercial  
Property Owners**



# Introduction

Thank **You** for choosing **Aro "Commercial Property Owners" policy**.

Aro Commercial Property Owners is a trading name of ARO UNDERWRITING GROUP LIMITED, who are authorised to underwrite and administer this policy on behalf of Liberty Mutual Insurance Europe Limited and Allied World Assurance Company (Europe) dac,

Liberty Mutual Insurance Europe Limited (LMIE) trading as Liberty Specialty Markets, a member of the Liberty Mutual Insurance Group. LMIE (company number 1088268, PCA/FCA no.: 202205) is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in England & Wales at 20 Fenchurch Street, London, EC3M 3AW. Tel.: +44 (0) 20 3758 0000.

Allied World Assurance Company (Europe) dac, a private company (company number 361888, EEA/FCA no.: 219772) registered in Ireland with its registered office at 3rd Floor Georges Quay Plaza, Georges Quay, Dublin 2, Ireland and its UK branch office at Floor 19, 20 Fenchurch Street, London EC3M 3BY. The company is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority. Details of the extent of regulation by the Financial Conduct Authority are available on request.

## **Brexit**

The/An insurer under this policy is Liberty Mutual Insurance Europe Limited (LMIE) (company number 1088268, PRA/ FCA reference number 202205).

LMIE will convert into a UK public limited company and subsequently into a European public limited company (Societas Europaea) during the term of this policy. Following the conversion of LMIE into a Societas Europaea, it is intended to transfer the corporate seat of LMIE from the UK to Luxembourg and, at the same time, establish a UK branch of LMIE. It is possible that the proposed transfer of LMIE's corporate seat to Luxembourg will also take place during the term of this policy. We will notify you of the proposed transfer of LMIE's corporate seat to Luxembourg in accordance with regulatory requirements, prior to completion of the transfer.

After the transfer of LMIE's corporate seat to Luxembourg, any communication concerning this policy, including for claims or complaints, may be directed to:

(i) your broker (all policyholders);



(ii) LMIE's new Luxembourg registered office (all policyholders);

(iii) the LMIE branch that issued your policy (if your policy was issued through one of LMIE's branches in the EEA or Switzerland); and

(iv) LMIE's UK branch at its current UK registered office address (if your policy was issued by LMIE in the UK).

Should LMIE move its corporate seat to Luxembourg from the UK, it will be authorised and regulated by the Luxembourg Commissariat aux Assurances in place of the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA). LMIE will initially passport into the UK on an establishment basis and its UK branch will then be subject to limited regulation by the FCA and the PRA. Following Brexit, LMIE's UK branch will also be authorised and regulated by the PRA and FCA.

Please note that complaints with respect to LMIE's UK branch may continue to be referred to the UK Financial Ombudsman Service, assuming there is no change in the law. Complaints with respect to LMIE's activities once LMIE has transferred its corporate seat to Luxembourg may also be referred to the following bodies:

- the Commissariat aux Assurances;

- the National Consumer Ombudsman Service (Service national du Médiateur de la consommation); and

- the Médiateur en assurance.

Please note that if you are a policyholder located outside Luxembourg or the UK, if permitted by the laws in your country, you may also refer complaints to the competent complaint body in your jurisdiction.

Neither the insurer nor the insured will have any right to terminate the policy, or take any other action, and nor will any party's rights or obligations in any way be changed, on the basis of any of the foregoing having occurred.

Ref: LSM Brexit Preamble\_for LMIE policyholders\_01.2018



This is **Your** Commercial Property Owners insurance policy. This policy is a contract between **You** and **Us**. **You** should keep this policy in a safe place; **You** may need to refer to it if **You** have to make a claim.

In return for **You** having agreed to pay **Your** premium including any tax applicable and subject to the policy terms and conditions **we** will insure **You** under those sections shown in **Your Schedule** during the **Period of Insurance**.

If more than one **Property** is insured under this policy this contract applies as if each is separately insured.

This policy, **Your Schedule** and any endorsements should be read as if they are one document.

**Please read them carefully and check that they meet Your needs. Any query should be immediately referred to Your insurance broker or intermediary.**

Signed on behalf of ARO UNDERWRITING GROUP LIMITED

**James Bright**  
**Managing Director**  
**Aro Underwriting Group Ltd**



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# Definitions

Certain words have specific meanings wherever they appear throughout this policy. They are printed in bold type and will always have the following meaning:

## Accidental damage

Unexpected physical damage caused suddenly by an identifiable external means.

## Act of Terrorism

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's Government in the United Kingdom or any other government de jure or de facto.

## Buildings

The **Property** comprising the **Buildings** including permanent outbuildings extensions annexes walls gates and fences fixed sanitary ware external blinds and signs and landlords fixtures and fittings

## Business

The **Business** stated in the **Schedule**

## Declared Value

**Your** assessment of the cost of reinstatement of the **Buildings** or Contents at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with due allowance for:

- a) the additional cost of reinstatement to comply with European and Public Authority requirements
- b) architects', surveyors', consulting engineers' and legal fees
- c) debris removal costs

## Employee(s)

- 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**



## Excess

The **Excess** is the first part of the claim that **You** have agreed to pay.

The **Excess** for each section of this policy is specified in the relevant section, or where no **Excess** is specified in the **policy**, the amount set out in the **Schedule**. If a claim is made under more than one section of this policy, resulting from the same incident only one **Excess** will be payable.

## Glass

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

## Injury

Bodily **Injury** including death or disease

## 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**

## Property

The **Buildings** at the address shown in Your Schedule

## Premises

The **Buildings** or part of the **Buildings** and the land within the boundary owned by You or for which **You** are responsible situated at the address or addresses shown in the **Schedule** belonging to **You**.

## Rent

Periodic payments made to **You** as lessors of the **Buildings** in respect of rent service charges or other income received or receivable from the letting of **Buildings** or the provision of services thereat

## Rent period

The period commencing with the date of occurrence of the **Damage** during which **We** will pay the reduction in rent received by You not exceeding the period stated in the policy **Schedule**

## Schedule

The document which 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

### Terrorism

Any action, threat of action, or attempt at action, by any individual(s) or group(s) of individuals or body or organisation(s), whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, any government or international governmental organisation or the population or any section of the population, or any community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause.

### United Kingdom

Great Britain (England, Scotland, Wales, the Isle of Man and the Channel Islands) and Northern Ireland.

### Unoccupied or Vacant

Whenever the whole or any self-contained part of the **Premises** have become **Unoccupied or Vacant**, unattended or which have not been actively used for a period of more than 30 days

### We, Us or Our

Liberty Mutual Insurance Europe Limited, Allied World Assurance Company (Europe) dac as insurers of **your** policy and Aro Underwriting Group Limited, who are authorised to underwrite and administer **your** policy on behalf of Liberty Mutual Insurance Europe Limited, Allied World Assurance Company (Europe) dac, AmTrust Europe Limited.

### You or Your(s)

The person or people shown in **Your Schedule** as the policyholder/insured.





# Information

## Complaints Procedure

### General Insurance Complaint Procedure-

#### If you feel dissatisfied with the service you have received

##### Our Service

**Our** aim is always to provide **you** with the highest level of customer service. If **you** feel that **we** have failed to maintain this standard, then this document outlines the procedure **we** will use to deal promptly and fairly with any issue **you** raise. Please note that **we** record and monitor all complaints centrally to make sure the matter is dealt with properly and that action is taken to avoid a similar problem arising in the future.

##### What to do next

If you wish to make a complaint, you can do so at any time, free of charge, by referring the matter by e-mail, in writing, by telephone or in person to

**E:** [ian.page@aro-underwriting.com](mailto:ian.page@aro-underwriting.com)

**W:** [www.aro-underwriting.com](http://www.aro-underwriting.com)

##### Customer Services

Aro Underwriting Group Ltd,  
Sackville House,  
55, Buckhurst Avenue,  
Sevenoaks.  
Kent.  
TN13 1LZ  
**T: 01732 783575**

##### What we need to know

Please make sure **you** are able to quote **your** policy details, including **your** policy number.

##### What we will do

If **we** resolve **your** complaint to your satisfaction within 3 business days after the day of receipt, **you** will receive a Summary Resolution Communication in writing. This response will include the fact that a complaint was made and is now considered resolved, either by accepting the complaint and offering redress; or rejecting the complaint with a full explanation.



If **we** are unable to resolve **your** complaint by the close of 3 business days, **we** will escalate this to a formal complaint stage. **We** will notify **you** with an acknowledgment letter, outlining timescales and the details of who will be handling **your** complaint. **We** will send you a final response letter within 8 weeks of receipt of the complaint. In some circumstances, if the complaint concerns the insurers of **your** policy we will make sure **your** complaint is passed to them in order to respond to **you** quickly to proceed in accordance with the process as explained above. If that is the case, they will contact you direct and explain when you will hear further from them.

If you wish you can complain direct to your insurer **Liberty Mutual Insurance Europe Limited**. Please see their contact details as follows:

Complaints Manager,  
Liberty Mutual Insurance Europe Limited  
20 Fenchurch Street  
London EC3M 3AW  
Phone: 020 375 80840  
Email: [Complaints@libertyglobalgroup.com](mailto:Complaints@libertyglobalgroup.com)

If after making a complaint **you** are still not satisfied (or **we** (or your insurer) have failed to respond within 8 weeks of receipt of **your** complaint) **you** may be entitled to refer the dispute to the Financial Ombudsman Service ("FOS"), who can be contacted at:

The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR

Telephone 0800 023 4567 (calls to this number are free from "fixed lines" in the UK) or 0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK).

Email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. **You** can find more information on the FOS at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). Eligible complainants are: (a) Private policyholders acting outside their trade, business or profession; (b) charities with an annual income of less than £1m; or (c) commercial policyholders with a group annual turnover less than €2m and fewer than 10 employees. Further information along with the details of how to submit a complaint to the FOS is available on their website, via the following link <http://www.financial-ombudsman.org.uk/default.htm>

Making a complaint will not affect **your** right to take legal action.



## Financial Services Compensation Scheme

**We** are covered by the Financial Services Compensation Scheme (FSCS). The FSCS compensates the customers of an insurer or insurance intermediary if it is unable to meet its obligations under a policy due to financial difficulties (for example, if it has been placed in provisional liquidation or administration).

Full details and further information on the scheme are available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)

## Governing law and legal system

This policy shall be governed and construed under the laws of England and shall be exclusively subject to the English courts unless **we** agree with **you** otherwise.

## Cancellation

**You** have the right to cancel this policy for whatever reason within 14 days of the commencement of this policy or from when **you** get **your** policy documentation (whichever happens later) and **you** will receive a full return of any premium paid, unless a claim has been made.

If you cancel after 14 days of the commencement of this policy or from when **you** get **your** policy documentation (whichever happens later) and provided that **you** have not had a claim accepted under this policy, **we** will refund the premium for the exact number of days remaining in the current period of insurance minus an administration fee of £15 to cover our administration costs.

If no premium has been paid and **you** have not had a claim accepted under this policy, **we** only will charge **you** for the exact number of days for which **you** have had this policy (inclusive of Insurance Premium Tax) minus an administration fee of £15 to cover our administration costs.

If a claim has been accepted under this policy, no refund of premium for the unexpired portion of the current period of insurance will be returned to **you**.

In order to cancel this policy, please contact **your** insurance broker.



## Employers' Liability Tracing Office

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

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

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

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

and

- to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the claimants, their 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.



# Conditions

These conditions control the operation of the policy cover.

## 1. You must keep to the policy conditions

Our liability will be conditional upon **You** complying with the conditions of this policy. If **You** do not **we** may refuse to pay a claim or premium may be affected.

## 2. You must take reasonable care

**You** must take all reasonable care to prevent loss, damage, accidents or **Injury** and to protect and maintain the **Property** which is covered by this insurance.

## 3. You must tell Us about changes in Your circumstances

When **You** arranged **Your** insurance **You** told **Us** certain material facts. **You** must tell **Us** or **Your** insurance broker or intermediary straight away about any material change in **Your** circumstances and/or any change in material facts.

If **You** do not tell **Us** about any changes, **You** may not be covered if a claim occurs.

## 4. What You must do if You have an Unoccupied or Vacant Property

Whenever any **Building** at any **Premises** described in the **Schedule** become(s) **Unoccupied or Vacant** for a period of more than 30 consecutive days or any such **building** described as **Unoccupied or Vacant** for a period of more than 30 consecutive days then **You** or **Your** appointed representative must:

- a) give immediate notice to **Us** of such change of unoccupancy and also when any **Building** or portion thereof becomes re-occupied
- b) ensure all the main services are turned off or disconnected except electricity where needed to maintain any fire or intruder alarm system in operation and the water and heating system drained
- c) carry out a thorough inspection of the **Premises** on at least a weekly basis and carry out immediately any work necessary to maintain the security of the **Premises**
- d) remove all refuse and waste materials from the **Premises** following such inspection
- e) maintain a written record of such inspections
- f) ensure the **Premises** are secured against unlawful entry

## 5. If You have other insurance

If **You** claim under this policy for something which is also covered by another insurance policy, **we** will only pay **Our** share of the claim. **You** must give **Us** full details of the other insurance policy.



## 7. Contracts (Rights of Third Parties) Act 1999

No member of the public will have, or be able to enforce any term of this **policy** under the Contracts (Rights of Third Parties) Act 1999. This does not affect the rights or remedies available to a member of the public, apart from this Act.

## 8. What You must do if a Claim occurs

When **You** know **You** may have to make a claim under this policy, **You** must follow the instructions given on page 33 of this policy document.

## 9. If You make a false or exaggerated claim

If **You** or anyone acting for **You** makes a claim under this policy which is in any part false or exaggerated or supports a claim with a false occurrence, **we** will not pay the claim and may elect to terminate this policy and keep the premium. If false or inaccurate information is provided and fraud is identified details will be passed to fraud prevention agencies and **we** may share information about **You** with other organisations including the police.

## 10. Subrogation

Where **We** are entitled to be subrogated in respect of any loss or liability, any claimant under this Policy shall, at **our** request and **our** expense allow to be done anything that may be necessary for the purpose of enforcing any such rights and remedies in order to obtain indemnity from other parties, whether before or after any payment made by **us**.

## 12. Several Liability

The liability of an Insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.



# Exceptions

Exceptions are the events, liabilities or property **we** do not cover under the policy.

**WE WILL NOT COVER:**

## 1. Chemical, Biological or Nuclear Risks

Any loss arising directly or indirectly caused by, or contributed to, by, or arising from:

- (a) the radioactive, toxic, explosive, or other hazardous, properties of any explosive nuclear assembly or nuclear component thereof
- (b) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
- (c) chemical, biological, or radiological irritants, contaminants, or pollutants

## 2. Sonic Booms

Any loss or damage arising directly from pressure waves caused by aircraft and other aerial devices.

## 3. War

Any loss or liability arising directly or indirectly in consequence of:

- (a) war, invasion, act of foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not) civil war, rebellion, revolution, insurrection, sabotage, mutiny, martial law, military or usurped power
- (b) nationalisation, confiscation, requisition, seizure or destruction by any government or any public authority
- (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

## 4. Events Before the Policy Started

Loss, damage or liability arising out of any accident or incident that happened before this **policy** started.

## 5. Deliberate Acts

Loss, damage or liability arising from any accident, **Injury**, loss or damage caused deliberately, maliciously, wilfully, recklessly or through the criminal act of **You**, **Your** family or **Employees**.

## 6. Reduction in Value

Any reduction in market value following repair or replacement paid for under this policy.



## 7. Deception

Any loss or damage caused by deception, unless the only deception is gaining entry to the **Property**.

## 8. Confiscation

Any loss, damage or liability caused by confiscation, detention or seizure by:

- (a) customs, police or other officials
- (b) order of any court of law
- (c) any statutory or regulatory authority.

## 9. Pollution or Contamination

Any loss, damage or liability arising from pollution or contamination unless directly caused by a sudden and unforeseen and identifiable incident occurring during the **Period of Insurance**.

## 10. 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.

## 11. Data

Any loss directly or indirectly caused by or consisting of unexplained disappearance of information, unexplained or inventory shortage, misfiling or misplacing of information.

## 12. Sanctions Limitation and Exclusion Clause

**We** shall not provide cover nor shall **we** be liable to pay any claim or provide any benefit referred to in this policy to the extent that the provision of such cover, payment or such claim or provision of such benefit would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanction, laws or regulations of the European Union, United Kingdom or United States of America.

## 13. Terrorism

Any loss occasioned by or happening through or in consequence directly or indirectly of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss

Any loss cost or expense of whatsoever nature directly or indirectly caused by, resulting from or about, any action taken in controlling, preventing, suppressing, or in any way related to Terrorism.





In any action, suit, or other proceedings where **we** allege that by reason of the provisions of this Exception any loss is not covered under any Section of this policy the burden of proving that such loss is covered shall be upon the Insured.

#### 14. Wear and Tear

Loss or damage caused by wear and tear or anything which happens gradually.

#### 15. Mould

Any loss caused directly by or consisting of or resulting from mould, mildew, fungus or spores but this shall not exclude such loss not otherwise excluded which itself results from a Defined Peril under Sections 1 in which case the Insured must report to **Us** the existence and cost of the loss as soon as practicable, but no later than six months after the Defined Peril first caused any loss to the Insured during the **Period of Insurance**; **we** shall not indemnify the Insured for loss reported after that six month period.

#### 16. Movable property

Any loss for movable property in the open, fences and gates, caused by wind, rain, hail, sleet, snow, flood, or dust.

#### 17. Use of Heat

**We** shall not indemnify **You** against liability caused by or arising from the use of any vessel for the heating of asphalt or bitumen, welding or flame-cutting equipment, blow lamps, blow torches or hot air guns by **You** or any **Employee**.

#### 18. 3 metre height limit

**We** shall not be liable in respect of **Injury** caused by or in connection with any external work undertaken at a height from the ground of more than 3 metres or in connection with any internal work undertaken at a height from the floor of more than 3 metres



# Policy Cover

## Section 1-Buildings

**WE WILL NOT COVER** under this Section:

- The **Excess** detailed in **Your Schedule**
- Wet or dry rot
- Loss or damage due to any gradually occurring cause
- Against any loss arising directly or indirectly in consequence of riot, civil commotion and (except for any loss by fire or explosion) strikers, locked out workers, people engaged in labour disturbances or malicious people in Northern Ireland

### Sub-Section 1

**WE WILL COVER:**

Loss or damage to **Buildings** caused by Fire, explosion, lightning or earthquake

### Sub-Section 2

**WE WILL COVER:**

Loss or damage to **Buildings** caused by Smoke

### Sub-Section 3

**WE WILL COVER:**

Loss or damage to **Buildings** caused by Riot, civil commotion, strikes, labour or political disturbances

### Sub-Section 4

**WE WILL COVER:**

Loss or damage to **Buildings** caused by Malicious Acts.

**WE WILL NOT COVER:**

Loss or damage caused :

- While the **Property** is **Unoccupied or Vacant**

### Sub-Section 5

**WE WILL COVER:**

Loss or damage to **Buildings** caused by: Storm or flood.



**WE WILL NOT COVER:**

Loss or damage:

- Caused by frost
- To gates, hedges and fences
- Caused by a rise in the water table or other gradually occurring cause

**Sub-Section 6**

**WE WILL COVER:**

Loss or damage to **Buildings** caused by:

- Water escaping from any fixed domestic water or heating installation, washing machine, dishwasher, refrigerator, freezer or fixed fish tank
- Oil escaping from any fixed domestic heating installation.

**WE WILL NOT COVER:**

Loss or damage caused while the **Property** is **Unoccupied or Vacant**

**Sub-Section 7**

**WE WILL COVER:**

Theft or attempted theft, following forcible and violent entry to or from the Property.

**WE WILL NOT COVER :**

Loss or damage caused:

- By people lawfully on the **Premises**
- While the **Property** is **Unoccupied or Vacant**

**Sub-Section 8**

**WE WILL COVER:**

Collision by:

- Aircraft or other aerial devices or items dropped from them.
- Vehicles, trains or animals.

**WE WILL NOT COVER:**

- Loss or damage caused by pets and livestock

**Sub-Section 9**

**WE WILL COVER:**

Loss or damage to **Buildings** caused by:

- Falling aerials (including satellite dishes) their fittings and masts.
- Falling trees or branches.

**We** will also pay the cost of removing them if they have caused damage insured by this section to the **Buildings**.



### Sub-Section 10

#### WE WILL COVER:

Loss or damage to **Buildings** caused by:

Subsidence or ground heave of the site that the **Buildings** stand on or landslip.

#### WE WILL NOT COVER :

The **Excess** detailed in **Your Schedule**

Damage caused by or resulting from:

- Coastal or river erosion
- Faulty design, workmanship or the use of defective materials
- Demolition, structural changes or repair to the **Buildings**
- The movement of solid floor slabs unless the foundations beneath the external walls of the **Property** are damaged at the same time and by the same cause
- The bedding down of new structures, settlement, shrinkage or expansion
- The action of chemicals or chemical reaction

Damage:

- To walls, gates, fences, paths, drives, terraces, patios, swimming pools, tennis courts, cesspits, septic tanks, central heating fuel tanks unless the **Property** is damaged at the same time and by the same cause
- For which compensation is provided by the National House Building Council Scheme, or other similar guarantee

### Sub-Section 11

#### WE WILL COVER:

Loss or damage to **Buildings** caused by frost damage to interior fixed domestic water or heating installations in the **Property**.

#### WE WILL NOT COVER :

Loss or damage caused while the **Property** is **Unoccupied** or **Vacant**

### Sub-Section 12

#### WE WILL COVER:

Loss or damage to **Glass**, Sanitary Ware and Ceramic Hobs accidental breakage of ceramic hobs in fixed appliances if fitted, fixed glass and sanitary ware all forming part of the **Property**.

#### WE WILL NOT COVER :

Breakage caused while the **Property** is **Unoccupied** or **Vacant**

### Sub-Section 13

#### WE WILL COVER:

- Loss or damage to Cables, Pipes and Tanks
- **Accidental damage** for which **You** are legally responsible to any cables, underground service pipes, drains or underground tanks servicing the **Property**.



**WE WILL NOT COVER :**

- The cost of cleaning blocked drains unless the blockage is caused by damage to the fabric of the drains insured by this section
- Damage caused to pitch fibre drains and by any inherent defect in the design, construction or installation of the drains

**Sub-Section 14**

**WE WILL COVER:**

Trace and Access following damage insured by sub-section 6 **we** will also pay the costs **You** incur in locating the source of the damage up to £2,500 for any one claim

**WE WILL NOT COVER :**

- Any amount in excess of £25,000 in any one **Period of Insurance**

**Sub-Section 15**

**WE WILL COVER:**

Extra Costs, following damage covered by this section and with **Our** consent **we** will pay:

- the costs of complying with any government or local authority requirement
- fees to architects, surveyors and consulting engineers
- legal fees
- the cost of clearing the site and making it and the **Property** safe.

**WE WILL NOT COVER :**

- Costs or fees for preparing and handling a claim under this section
- Costs of complying with requirements that **You** were given notice of before the damage occurred
- Costs for undamaged parts of the **Buildings** except the foundations of the damaged parts

**Sub-Section 16**

**WE WILL COVER:**

Moving **Property**.

If **You** are selling the **Property** **we** will insure the buyer under this section between the date of exchange of contracts, or conclusion of missives, and the completion date unless the buyer has arranged his own insurance.

In order for this cover to apply, formal completion must have taken place. **You** and the buyer must keep to the terms and conditions of this policy.



### Sub-Section 17

#### WE WILL COVER:

Emergency Access/Landscape Gardens Loss or damage to the **Buildings** or landscaped gardens or grounds within **Your Premises** caused by a member of the emergency services breaking into the **Property** to prevent loss or damage to **Your Property**.

The most **we** will pay is £10,000.

### Sub-Section 18

#### WE WILL COVER:

Replacement of Locks

The insurance by this section extends to cover costs incurred as a result of the necessary replacement of locks at the **Property** described in the **Schedule** following theft of keys from the insured.

The most **we** will pay is £500.

### Sub-Section 19

#### WE WILL COVER:

Unauthorised use of Electricity Gas or Water

The insurance by this section extends to include the cost of metered electricity gas or water for which **You** are legally responsible arising from its unauthorised use by people taking possession or occupying the **Property** without **Your** authority.

Provided that **You** shall take all practical steps to end such unauthorised use as soon as it is discovered.

The most **we** will pay is £1,000.



## Sub- Section 20

**WE WILL COVER:**

**Accidental damage** to the **Buildings**

**WE WILL NOT COVER :**

Any loss or damage which **we** have indicated that **we** will not cover under sub-section 1 to 13 of this section

Cost of maintenance or routine decoration

Damage occurring while:

- The **Property** is **Unoccupied or Vacant**
- The **Property** is undergoing demolition, structural changes or structural repair

Damage caused by or arising from:

- Insects, parasites, vermin, fungus or mildew
- Chewing, scratching, tearing or fouling by pets
- Atmospheric or climatic conditions or frost (except as covered by sub-section 11)
- Changes, repair, maintenance, cleaning, restoration, dismantling, renovation or breakdown
- Faulty design or workmanship or the use of faulty materials
- Structural movement, settlement, shrinkage

## 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 per cent 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 the **Insured** or the **Company**



## Day One (non adjustable basis)

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

**(a)** the **Declared Value** having been stated by **You**, has been used to calculate the Premium

**(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 underinsurance 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





## Landlord's Contents

The insurance by this Section extends to cover the Contents of the insured **Building(s)** furniture furnishings fixtures and fittings the property belonging to **You** or for which **You** are responsible for whilst contained within the **Building(s)** insured by this section provided that **Our** liability shall not exceed the amount shown in the **Schedule** for any one occurrence or £1,000 any one article

## 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 the 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 pay 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 (i) 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 byelaws



## Removal of Debris

Following Damage covered by this Section **We** will also pay for costs incurred with the consent of **Us** in removing debris dismantling demolishing shoring up or propping up that part of the **Buildings** destroyed or damaged



# Policy Cover

## Section 2 – Glass

### **WE WILL COVER:**

Loss or damage to **Glass** in the **Building** specified in the **Schedule**. **We** will indemnify **You** at **Our** option by replacing or paying the amount of the **Damage**

### **WE WILL NOT COVER :**

- Damage caused by scratching or chipping
- To **Glass** already cracked at the commencement of the insurance by this policy



# Policy Cover

## Section 3 – Rent

### Sub - Section 1

#### WE WILL COVER:

Under the insurance by each Item loss of **Rent** resulting from **Damage** to **Buildings** insured under Section 1

#### WE WILL NOT COVER :

Loss or damage caused :

- While the **Property** is **Unoccupied or Vacant**
- Any amount in excess of each Item specified in the Policy Schedule on Rent the Sum Insured set against it

### Sub - Section 2

#### WE WILL COVER:

Under the insurance by each Item 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**

#### WE WILL NOT COVER :

Loss of **Rent** caused by **Damage**:

- To any property of any supply undertaking from which electricity gas water or telecommunications services are provided to the **Buildings**
- Any amount in excess of each Item specified in the Policy Schedule on Rent the Sum Insured set against it



# Policy Cover

## Section 4 – Property Owners' Liability

### WE WILL COVER:

Property Owners' Liability

**We** will indemnify **You** for **Your** legal liability:

(a) as owner but not occupier of the **Buildings** and their land

or

(b) resulting from **Your** previous ownership of any private property under Section 3 Defective Premises Act 1972

For damages, costs and expenses following an accident during the **Period of Insurance** someone suffers bodily **Injury** or their property is damaged.

The most **we** will cover any claim or claims arising from one event is the limit of indemnity specified in **Your Schedule**, plus costs agreed by **Us** in writing.

### WE WILL NOT COVER :

Liability arising directly or indirectly from:

- Any contract or agreement that says **You** or a member of **Your** family are liable for something which **You** or they would not otherwise have been liable for
- The occupation of the **Buildings**
- Any business or professional use of the **Buildings** other than in **Your** capacity as owner of the **property**
- any loss caused by or contributed to by, or arising from, or occasioned by or resulting from riot or civil commotion

Liability for:

- Bodily **Injury** to **You** or to a person employed by **You**
- **Property** belonging to **You** or for which **You** are responsible
- Any act, error, or omission, in the provision for a fee of any advice, design services, instructions, or specification



# Policy Cover

## Section 5 – Employers' Liability

### WE WILL COVER:

#### Employers' Liability

**We** will in the event of **Injury** sustained by an **Employee** arising out of and in the course of the employment or engagement of such person by the Insured in connection with the **Business** and caused within the **Territorial Limits** during the **Period of Insurance** indemnify **You** against legal liability for damages and claimant's costs and expenses in respect of such **Injury** and other costs and expenses incurred with **Our** written consent

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**

**We** will in addition pay solicitors' fees for representation at any Coroners' Inquest or fatal inquiry or Court of Summary Jurisdiction in respect of any event which may be the subject of indemnity under this Section

#### Indemnity to Other Persons

**We** will indemnify in the terms of this Section

- 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
- 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 **Your** request any partner director or **Employee** of **Yours** 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 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 **Our** consent in an appeal against conviction arising from such proceedings provided that **We** shall not be liable for the payment of fines and penalties

#### 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 the **Territorial Limits** 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

#### **WE WILL NOT COVER**

- **Injury** arising in connection with work on offshore installations or transit thereto or therefrom
- **Injury** arising when the **Employee** is
  - (i) Carried in or upon a vehicle
  - (ii) Entering or getting on to or alighting from a vehicleIn circumstances where any road traffic legislation requires insurance or security



# Policy Cover

## Section 6 – Terrorism

### **WE WILL COVER:**

The Insurance provided by Section 1 is extended by this Section to include any loss directly caused by an Act of Terrorism occurring during the Period of Insurance at the Premises but only in England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man nor the Channel Islands, subject to all the terms, Exceptions and Conditions of this Policy.

The Company's Limit of Liability under this Section in any Period of Insurance will not exceed the relevant Limit of Liability under Sections 1, 3 & 3.





# How to make a claim

If You wish to make a claim please contact:

## CLAIMS MANAGER

The Claims Manager for the purpose of the Claims Conditions is Davies Managed Systems, 4<sup>th</sup> Floor, Telecom House, Trinity Street, Hanley, Stoke on Trent, ST1 5NA.

To notify a loss, or a circumstance, claim or Impending prosecution etc. under Sections 4 or 5 email:

[newclaims.liberty@davies-group.com](mailto:newclaims.liberty@davies-group.com)

All other communications with the Claims Manager shall be sent by email to:

[post.liberty@davies-group.com](mailto:post.liberty@davies-group.com)

or by post or by hand to DMS at the above address.

The Claims Manager will also be available on 0344 8562 364.

Immediately tell the Police following loss or damage by theft, attempted theft, malicious damage, violent disorder, riots or civil commotion and obtain the Crime Reference Number

Please also refer to “**Conditions**” on pages 13-14 and “**How we settle Your claim**” on pages 34-35.



# How we settle Your claim

This section details how **we** settle claims under **Your** policy. The most **we** will cover any one claim is the amount shown in **Your** policy **Schedule** unless a more specific limit applies.

**We** will take off the **Excess** from the amount **we** agree to settle **Your** claim. The **Excess** will apply to each separate incident.

Remember, no policy covers everything. **We** do not cover certain things such as wear and tear and maintenance. The things which are not covered by **Your** policy are stated:

- In the Conditions on pages 13-14.
- In the Exceptions on pages 15-17.
- Under what **WE** WILL NOT COVER for each Section and Sub-section on pages 18-32.

It is important to make sure that **You** understand the conditions and exceptions which apply to **Your** policy because if **You** do not meet these conditions, it may affect any claim **You** make.

## Section 1: Buildings

As long as the loss or damage is covered under **Your** policy, **we** will decide whether to settle a claim by either rebuilding, repairing or replacing or by making a payment for the damaged part of the Buildings provided that:

1. Immediately before the incident giving rise to the loss or damage:
  - the Buildings were in a good state of repair and properly maintained;
  - the sum insured shown in **Your** policy **Schedule** was sufficient to allow for the full cost of rebuilding the **Buildings** in a new condition similar in size, form and style, including the Extra Costs as set out in Section 1 sub-section 15.

2. The reinstatement or repair is carried out without delay.

If repair or rebuilding is not carried out, **We** will pay the amount by which the **Property** has gone down in value as a result of the damage or the estimated cost of repair, whichever is lower.

The most **we** will pay for each incident of loss or damage is the **Buildings** sum insured or any other limit shown in **Your Schedule** or in the policy.



**We** will not cover the cost of replacing any undamaged item or part of an item solely because it forms part of a set, suite or one of a number of items of similar nature or design.

**We** will automatically reinstate the policy limits following payment of a claim, provided that all replacement or repair work is completed and any recommendations **we** make to prevent further loss or damage are carried out without delay.

### **Underinsurance**

If at the time of damage

- a) Under section 1 the Declared Value for Buildings is less than the Reinstatement cost at inception of the **Period of Insurance** including
  - I. the additional cost of reinstatement to comply with European and Public authority requirements
  - II. architects', surveyors', consulting engineers' and legal fees
  - III. debris removal coststhe amount shall be proportionately reduced

### **Section 3: Rent**

Following Damage to Buildings covered by Section 3 **We** will pay in respect of any Item on **Rent**

- a) the amount by which the **Rent** received by **You** during the period specified against such Item in the Policy **Schedule** falls short in consequence of the **Damage** of 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**

### **Underinsurance**

If at the time of **Damage** the Annual **Rent** shown in the Policy **Schedule** is less than the **Rent** which would have been received during the **Period of Insurance** if the **Damage** had not occurred the amount payable in respect of loss of **Rent** will be proportionately reduced